

TERMS

Net thirty (30) days (or as stated on quotation or acknowledgment) in U.S. currency. Delinquent payments are subject to a penalty charge of 1-1/2% per month (18% per year). If Buyer furnishes complete specifications and authorization to fabricate and shipment is then postponed by the Buyer, the order will be billed on date of shipment originally specified by the Buyer. If held for shipment, a charge for storage will be made two (2) weeks after specified shipping date.

MINIMUM

Invoices will be billed at a minimum of \$50.00. When possible, parts order quantities will be increased to a \$50.00 total.

EX-WORKS OKLAHOMA CITY PLANT (or as stated on the quotation)

Standard packaging and packing for domestic shipments is included in the quoted price. If special packing is required, a charge will be made to cover extra expense. Unless otherwise specified by the Buyer, method and route of transit will be at the discretion of Seller. Seller's responsibility ceases when shipment is delivered to carrier. All shipping shortages must be reported to Seller within thirty (30) days after shipment of equipment.

DELIVERY

Seller's shipping dates are approximate and are based upon prompt receipt of all necessary information. Partial shipments may be made unless the Buyer instructs Seller otherwise.

Seller shall not be liable for delays in delivery which are due to causes beyond reasonable control, including, but not limited to, delays due to: (1) acts of God, Buyer's acts, acts of civil or military authority, priorities, fires, strikes, floods, epidemics, wars, riots, delays in transportation; (2) inability to obtain necessary materials, components, or outside manufacturing services; (3) changes in specifications, directions, or design requested by or agreed to by Buyer; or (4) Buyer's delay in approving documents. In the event of any such delay, the date of shipment shall be extended for a period equal to the time lost by reason of the delay.

PRICE

Unless otherwise stated, the price quotations on Seller's products are firm for thirty (30) days from date of proposal. If shipment is delayed more than ninety (90) days beyond the original scheduled date for reasons beyond Seller's control, Seller reserves the right to invoice at prices in effect at time of shipment.

TAXES

Prices are subject to additional charges to cover any present or future sales, use, or other similar taxes. If applicable, the Buyer will provide the Seller with a tax exemption certificate acceptable to the taxing authorities.

WARRANTY**Systems**

Except as noted by any attachments hereto, Fife products are warranted to be free from defects in design, materials, and workmanship for (A) End Users - a period of one (1) year from date of shipment and (B) certified OEM's (Original Equipment Manufacturers) - a period of fifteen (15) months from date of shipment. During this period, Fife will repair or replace (at Fife's option) any defective products returned to Fife freight prepaid. Also, during the first three (3) months of the warranty and after reasonable efforts by the customer have failed to remedy the problem, Fife will perform on-site labor at no cost to the customer to repair or replace (at Fife's option) any defective products. During the remainder of the warranty period, Fife will perform on-site labor on warranted products for an amount equal to 50% of Fife's current standard service rates, plus actual travel expenses.

Parts

Replacement and/or spare parts are warranted to be free from defects in design, materials, or workmanship for a period of ninety (90) days from shipment. This warranty does not include any on-site labor.

Service

Purchased service is warranted for ninety (90) days from date of service. When the equipment performance failure results from the same problem as corrected during a service call, Fife will perform on-site service during the warranted period at no additional charge to the customer.

THE FOLLOWING ITEMS ARE EXCLUDED FROM THIS WARRANTY:

- Routine maintenance and adjustment as specified in the equipment instruction manual.
- Failure due to improper installation or inadequate maintenance by the customer.
- Malfunions that occur as a result of customer-supplied interfacing.
- Physical damage resulting from an accident, misuse, or abnormal conditions of operation.
- Attempts to utilize goods under conditions that exceed designed capabilities.

NOTE

When the customer requires on-site warranty service and the product failure is due to one of the above-excluded items, the customer will be invoiced for the service call at Fife's standard current service rates, plus actual travel expenses

CUSTOMER ACCEPTANCE (Please Initial) _____

NO OTHER WARRANTY IS EXPRESSED OR IMPLIED INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE. FIFE'S LIABILITY TO CUSTOMER FOR DAMAGES WITH RESPECT TO THIS AGREEMENT SHALL NOT EXCEED IN THE AGGREGATE THE FEE OR PRICE FOR THE PARTICULAR PRODUCTS OR SERVICES INVOLVED IN THE CLAIM. IN NO EVENT SHALL FIFE HAVE ANY LIABILITY FOR INCIDENTAL, CONSEQUENTIAL, OR SPECIAL DAMAGES INCLUDING, WITHOUT LIMITATION, LOST REVENUES, DATA, OR PROFITS.

INDEMNITY OF SELLER

Buyer agrees to indemnify and hold harmless the Seller against any and all claims, demands, expenses, liabilities, or causes of action arising out of the injury or death of any person when such injury or death arises from or is connected with (1) any act or omission from the part of the Buyer, its agents, servants or employees; or (2) any condition resulting from the installation of the machine on the Buyer's premises; and (3) the misuse or modification of manufactured goods by the Buyer, its agents, servants, or employees.

PATENTS

Seller agrees to hold harmless and protect Buyer against all losses or damages and lawsuits arising from actual or alleged infringement of U.S. patent by products designed by Seller, providing the Buyer gives prompt notice in any such claim and cooperates with and permits Seller to defend at Seller's expense.

CANCELLATION

Any order placed with the Seller can be canceled by the Buyer only upon payment of reasonable cancellation charges, that shall take into account expenses already incurred and commitments made by the Seller.

RESTOCKING CHARGE

The exchange or return of parts and/or equipment will be subject to inspection in Seller's plant:

- All returned parts will include a restocking charge. The only exception will be when the exchange is required because of mistakes by the Seller.
- New, unused parts returned within thirty (30) days shall carry a 10% restocking charge.
- New, unused parts returned within one (1) year shall carry a 20% restocking charge.
- New, unused parts returned after one (1) year shall be reviewed individually by Service Department in Seller's plant and shall carry a minimum 30% restocking charge. This is required because of the continued modification and redesign of standard components and parts.
- Fabricated items, such as Shifta-Roll stands, offset pivot guides, rollers, etc., will be reviewed individually and will have a minimum 50% restocking charge. There may be cases where the Seller will not be able to accept the return of the equipment for credit.
- With the exception of a., Buyer pays freight both ways.

PENALTY CLAUSE

Penalty clauses by the Buyer are not effective unless approved in writing by an officer of the Seller.

INSTALLATION AND MAINTENANCE MANUALS

One (1) manual with appropriate documentation will be supplied with each system. For OEM purchases, two (2) manuals with appropriate documentation will be supplied. For large quantity purchases of basic systems, one (1) manual for each system will be provided. Additional manuals are available at prices in effect at the time of request.

INSTALLATION DOCUMENTATION

Seller will supply sufficient instructions, specifications, and drawings, as deemed necessary by the Seller, for proper installation of the equipment. All drawing sizes for standard or special drawings shall be at the discretion of the Seller and all such drawings shall be in accordance with the Seller's design/data standards. Where such drawings must conform to particular standards and quantities that differ from Seller's standards, additional charges will be the responsibility of the Buyer.

LEGAL OBLIGATION

An order by Buyer shall constitute an acceptance of the terms and conditions stated herein.

No order shall be binding until accepted by the Seller at its home office. Terms other than those set forth above or other than those noted by any Seller's attachments hereto are subject to negotiation and separate written acceptance by the Seller. Receipt of these terms by the Buyer without written objection to Seller within thirty (30) days shall constitute acceptance of these terms by the Buyer. Any contract for goods shall be governed and construed according to the Uniform Commercial Code of the State of Oklahoma. Buyer agrees that venue and jurisdiction for any court action shall properly be at Oklahoma City, Oklahoma, the principal place of business of Fife.

LIMITATION ON SUITS AND ACTIONS

No action or suit to enforce Buyer's rights or remedies arising from this sale shall be commenced later than one (1) year from date of shipment.

FINAL AGREEMENT

Except as otherwise noted in writing, these terms and conditions constitute the entire agreement between Seller and Buyer with respect to this subject, and there are no understandings, agreements, or representations, expressed or implied, that are not contained herein.