

SALE AND PAYMENT TERMS AND CONDITIONS

QUO-137952-R0J9K7

The following sets forth the sale and payment terms and condition policies of R.F. MacDonald Co. It constitutes the general agreement between R.F. MacDonald Co. ("R.F. MacDonald Co.", the "Company" or "we") and you, its customer, under which products, service and parts are sold, credit is extended and payments are expected. R.F. MacDonald Co's terms and conditions will govern in all respects regardless of any contrary or competing terms or conditions contained in any proposal or other form provided by the other contracting Party(ies). R.F. MacDonald Co's terms are conditioned on performance and the offer of performance expressly limits acceptance to the following terms:

EXTENSION OF CREDIT

Credit is one of the most important services R.F. MacDonald Co. offers to you as a customer. An open line of credit is established for you based upon your needs, financial strength, and history of meeting your credit obligations.

In order to insure you the best possible prices and service, we must enforce a credit and collections policy based upon sound business principals and good judgment.

INVOICING AND PAYMENT TERMS

Payment Terms are 25% down payment, balance Net 30 (upon approval of credit) on all invoices unless other arrangements are made in advance of shipment. When opening a new account with an order, the Company may require payment with the initial order so as not to delay shipments while credit references and financial information are being reviewed. We reserve the right to suspend or terminate any further performance under this agreement or otherwise in the event payment is not made when due. **Quotes are valid for 30 days. Equipment will not be started up unless 90% of the purchase price of the equipment has been paid.**

Shipment Terms Unless otherwise specified in writing signed by an authorized representative of the Company, all shipments are Ex Works the manufacturer's factory or R.F. MacDonald Co. warehouse as applicable. Title to the merchandise shall pass to the buyer upon delivery to the carrier and thereafter all risk of loss or damage shall be the buyer's.

Service Charges We reserve the right to take action to collect any invoice which is not paid when due. We also assess a late payment SERVICE CHARGE on the day following the due date and monthly thereafter against all amounts remaining unpaid on each such date. Subject to any limitations that may be imposed by applicable law, the amount of this charge is 1½% of the amount remaining unpaid on each such date.

This policy will be applied to customers who permit their account to become delinquent. It is your responsibility to notify R.F. MacDonald Co. of any extenuating circumstances that may affect your payment and work out a solution. Please know that our interest lies not in collecting a service charge, but in receiving timely payments of your invoice.

Warranty on Equipment and Material Provided by Manufacturer:

You will rely solely on the warranty provided by the manufacturer. Your sole and exclusive remedy for breach of warranty shall be as provided in the manufacturer's standard warranty.

R.F. MacDonald Co. makes no warranty express or implied of any kind. We make no claim of fitness or merchantability or any other warranty, express or implied, nor is anyone else, whether employed by R.F. MacDonald Co., or not, authorized to do so on our behalf. We specifically disclaim the warranty of merchantability and the warranty of fitness.

You will be invoiced in the regular manner for all materials and parts even though it may be an in-warranty transaction. Credit will be issued promptly on our receipt of proof of return, and, as long as the return is within the prescribed time limit and has been properly authorized. Please note that withholding payment of any invoice in anticipation of an in-warranty credit is not allowed with our terms of sale.

For any items or components proposed as a substitute to specified items, it is understood that seller makes no guarantee that the products submitted will be accepted by the approving authority.

In no event shall R.F. MacDonald Co. be liable to you or any person, corporation or other type of legal entity for any special, direct, indirect, incidental, liquidated or consequential damage of any kind, including but not limited to, loss of products, loss of time, loss of use, loss of production, loss of savings or revenues, cost of replacement goods, labor costs or other charges in connection with product use or malfunction, the repair or replacement of defective parts whether such claims are alleged in strict liability, negligence, tort, contract or otherwise and even if R.F. MacDonald Co. is informed in advance of the possibility of such damages.

Limited Warranty on R.F. MacDonald Labor (If Applicable):

If you are retaining the services of R.F. MacDonald Co.'s service department, R.F. MacDonald Co. warrants that labor performed will be free from defect for a period of one year from the completion of work. This limited warranty excludes remedy for damage or defect caused by accident, misuse, abuse, modifications not executed by R.F. MacDonald Co., improper or insufficient maintenance, or improper operation. Installation, operation, and maintenance shall be in accordance with the product manuals provided by the equipment manufacturer. R.F. MacDonald Co. shall be notified within ten (10) business days of first knowledge of defect by owner or its agent. R.F. MacDonald Co. shall be given first opportunity to make any repairs, replacements, or corrections to the defect within a reasonable period of time. R.F. MacDonald Co. makes no implied warranty of any kind. In no event shall R.F. MacDonald Co. be liable by virtue of this limited warranty or otherwise to you or any person, corporation or other type of legal entity for any special, indirect, incidental, liquidated or consequential damage of any kind.

QUO-137952-R0J9K7

CLAIMS

You are responsible for inspecting merchandise on receipt and for filing claims with the carriers for damage or loss. All claims for shortages and damages must be made in writing to the carriers within ten (10) days of receipt. We suggest you call the carrier immediately upon noticing any possible freight related damage and arrange for inspection before proceeding with unpacking. Photographs taken while the delivery truck is still on sight are recommended if possible.

Under no circumstances may you withhold payment or charge the Company for freight or warranty related claims.

No claim for expenses incurred for corrective work done on merchandise provided by the Company will be considered or accepted unless specifically agreed to in writing, in advance of the work being done, by an authorized manager of the Company.

INFORMATION AND ASSISTANCE

If at any time you have a question on an invoice from the Company, a call or note to our accounting department will bring prompt action toward getting the problem resolved.

If it becomes necessary, at R.F. MacDonald Co.'s discretion, to take legal action in order to collect your account, R.F. MacDonald Co. shall be entitled to recover, in addition to any other recovery, its court costs, reasonable attorney's fees and all other collection expenses.

If you have any questions regarding this policy, please contact our office.

We appreciate your business and look forward to providing you with reliable equipment, parts and service.

Please acknowledge below your receipt and agreement to the provisions of this policy statement. Please return the original to:

R.F. MacDonald Co.
Keith Johnson
4912 W Jacquelyn Avenue
Fresno, CA 93722
Telephone 559-498-6949
Fax 559-498-7086

APPLICABLE LAW: This agreement shall be governed by the substantive laws of the State of California

Acknowledged and Agreed To: _____
Company Name: _____
Signature: _____
Name/Title: _____
Date: _____