

TERMS AND CONDITIONS OF SALE

1. **ACCEPTANCE.** All orders are subject to final acceptance by Precise Machinery Company, LLC (PMC) and may not be altered in its behalf except in writing by an authorized PMC employee. PMC's acceptance of all orders is contingent upon approval of the purchaser's credit.
2. **PRICES.** Prices for future orders are subject to change without notice. PMC reserves the right to correct clerical errors. All prices are FOB the applicable PMC office.
3. **TAXES.** The amount of any present or future sales, use or similar taxes and import or export tariffs applicable to this transaction shall be payable by the purchaser when and as incurred. PMC will endeavor to apply the correct sales tax rates, however, the purchaser agrees to pay any and all sales/use taxes, duties or tariffs required by law.
4. **TERMS OF PAYMENT.** Net cash will be due and payable upon delivery, otherwise payment terms are stated on the customer invoice, and if not indicated, customer terms are 30 days from date of receipt of equipment. Cash discount terms, if applicable, are indicated on the face of our acknowledgment and invoice. Foreign orders require a sight draft or letter of credit in lieu of normal terms. If total payment is not made on or before the specified due date, the purchaser agrees to pay service charges at the rate of 1.5% per month per unpaid balance and to pay all collection charges incurred by PMC, including reasonable attorney's fees.
5. **CANCELLATION.** Cancellation of all or part of an order through no fault of PMC, shall not be binding on PMC unless notice of cancellation is received by PMC at least 30 days before the scheduled delivery date on the face of acknowledgement. If cancellation is agreed to by PMC, the customer may be subject to a charge for any special work performed. Cancellation by failure of PMC to deliver as promised can be made only if PMC cannot deliver the items within 30 days from notice of intent to cancel.
6. **RETURNS.** Prior to return, all customer returns must be approved by an authorized PMC employee. Returns shall be shipped prepaid by the purchaser. PMC shall not be responsible for damage in shipment. Purchaser must enclose a packing slip or note containing his name, address, phone number and description of the problem with any returns. Warranty repairs will be returned to purchaser via surface transportation, unless purchaser specifically authorizes return by air shipment and agrees to pay the cost. All returns are subject to a minimum 10% restocking charge and no returns, except for items needing service will be accepted without prior authorization not beyond 30 days from the receipt.
7. **CLAIMS.** Any claims for shortages, damages, or delays shall be made by purchaser direct to the carrier. PMC shall supply additional copies of invoices and transportation receipts and other information necessary for the filings of any claim against the carrier by purchaser.
8. **TITLE AND SECURITY INTEREST.** PMC retains title to the goods until buyer performs all obligations under this contract. PMC retains a security interest in the goods, including all accessions to and replacements of them, to secure performance of all buyers' obligations arising under this agreement.
9. **DELIVERY.** Delivery and Acceptance of Delivery occurs when the product shipped from a PMC office or delivered to the customer by an authorized PMC employee. PMC will maintain delivery schedules as closely as possible, but all advance shipping dates are best estimates only, and PMC assumes no liability for loss or consequential damages for delay.
10. **WARRANTY.** The warranty on items sold by PMC is as specified by the manufacturers of those items. PMC's liability during the warranty period is limited to servicing or adjusting any product returned to the factory for that purpose, and to replacement of any defective parts whether the unit is returned or not. The foregoing states, the entire liability of PMC to the Purchaser in connection with its products. PMC shall not be held responsible for consequential damages of any kind, and the foregoing in lieu of all other warranties expressed or implied. This warranty shall be effective only in the event the purchaser complies fully and promptly in making all payments required under PMC terms of payment. This warranty is applicable only to the original Purchaser on sales made directly by PMC or by an authorized dealer or distributor.
11. **SPECIFICATIONS.** PMC reserves the right to change specifications or to discontinue products at any time. There is no obligation to retain previous specifications or to incorporate modifications on instruments sold separately. Should purchaser make any changes in specifications involving additional engineering, postponement of cancellation of any order, purchaser agrees to pay PMC a reasonable charge therefore.
12. **USE OF DATA.** Purchaser shall treat as confidential all drawings and data submitted by PMC pertaining to price, size, and design. Purchaser shall not give or show such drawings or data to others under any circumstances, unless specifically approved by an authorized PMC employee. All such drawings and data shall remain PMC property.
13. **GOVERNMENT REGULATIONS.** PMC hereby certifies that these goods were produced in compliance with all applicable requirements of Sections 6, 7, and 12 of the Fair Labor Standards Act of 1938, as amended, and of the regulations and orders of the United States Department of Labor issued under Section 14, thereof.
14. **AGREEMENT.** Unless otherwise agreed in writing, the terms and conditions on the face and reverse of the acknowledgement constitute the entire agreement and understanding of the parties and shall not be modified by standard clauses in the purchaser's purchase order or elsewhere.

TERMS AND CONDITIONS OF RENTAL

1. **PAYMENT.** First month's rent for each unit is due in advance or at the time of delivery. Subsequent rental payments are due in full at the beginning of each rental period. On the final invoice any rentals cancelled during a billing cycle will be prorated from the last billing to the date of return by the following policy: A) If a monthly rental, the rate will revert to the weekly rate. The weekly rate will be determined by taking the monthly rate and dividing by three. B) If a weekly rental, the rate will revert to the daily rate. The daily rate will be determined by taking the weekly rate and dividing by three.
2. **RENTAL PERIOD.** The rental period begins on the delivery of the equipment to the Lessee; and Lessee assumes risk of damage or loss to the equipment from the time of initial delivery until the equipment is returned in good condition to PMC.
3. **TITLE.** Title to the equipment remains to PMC.
4. **RIGHT OF REMOVAL.** In the event that Lessee is in default of any provision of this rental agreement, PMC or its representatives shall have the right, in addition to all other rights and remedies provided by law, to immediately remove said equipment from Lessee premises.
5. **SERVICE CHARGE.** A monthly service charge of up to 1.5% will be calculated on the unpaid balance that exceeds the standard terms of the invoice.
6. **LOSS / DAMAGE.** Lessee agrees to be solely responsible for the cost to repair any damage caused to the equipment or loss of the equipment while in Lessee care and control up to and including the full purchase price. PMC will be responsible for any normal wear on the equipment.
7. **INSURANCE.** Lessee shall keep the equipment insured in an amount equal to the purchase price shown on the invoice and this document.
8. **LIABILITY.** Lessee agrees to indemnify and hold PMC harmless from any liability arising from the use of the equipment. PMC shall not be held responsible for consequential damages of any kind, and the foregoing is in lieu of all other warranties expressed or implied.
9. **DAMAGE.** Lessee agrees to be solely responsible for the cost to repair any damage caused to the equipment while in Lessee care and control. PMC will be responsible for any normal wear on the equipment.
10. **ASSIGNMENT.** Lessee shall not assign this agreement.
11. **DEFAULT.** Lessee shall be deemed in default of this rental agreement if it fails to make any rental payment when due, to perform any other term or condition of this agreement, or becomes insolvent, makes an assignment for benefit of creditor or Bankruptcy Act.
12. **SECURITY INTEREST.** Lessee authorizes PMC to file a financing statement without Lessee's signature to protect any security interest in the equipment arising herein.