



Terms of Sale

These Terms of Sale constitute a contract between you and Screen Machine Industries LLC ("SMI"). Please carefully review these Terms of Sale because the Terms of Sale set forth the rights, obligations, limitations and exclusions that apply to you.

1. AGREEMENT. By purchasing or guarantying the purchase of the products from SMI, you agree with these Terms of Sale. Except as specifically provided herein, these Terms of Sale prevail over any terms or conditions contained in any other documentation and expressly exclude any general terms and conditions of sale or any other document or purchase order. This Agreement is intended by the parties as a complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties and no usage of trade shall be relevant to supplement or explain any term used herein. Notwithstanding the foregoing, in the event the parties have entered and signed a separate, written agreement, which contain terms of sale which conflict with the terms of sale provided herein, the terms of the written agreement shall prevail with respect to any contradictory statements.

2. CASH SALE. All domestic purchases will be paid by cash, check or credit card in the net amount of the invoice on or before the time of delivery unless SMI agrees in SMI's sole discretion to extend to you an open account or other credit. All international purchases will be paid by wire or credit card in the net amount of the invoice on or before the time of delivery. SMI may, in its sole and absolute discretion, allow you to pay by electronic deposit.

3. OPEN ACCOUNT SALE. All purchases on open account are due and payable within thirty (30) days of receipt of the invoice unless you and SMI agree in writing to a different payment plan. Amounts unpaid by the 30th day of your receipt of the invoice incur interest of 1.50% PER MONTH (an ANNUAL PERCENTAGE RATE OF 18%), or the maximum amount allowed by the applicable state law, whichever is less. Interest is compounded monthly. If you become insolvent, are named in any legal, arbitration or other proceeding to collect money, or file bankruptcy, then all amounts owed to SMI become immediately due and payable. Credit card payments are acceptable at the time of ordering; however, credit cards cannot be used to pay for products purchased through delayed billing. A surcharge may be imposed on all statement balances paid by credit card. You shall have no right to offset any amounts against obligations owed to SMI.

4. ERRORS. SMI may correct at any time all extension, price, description and other errors on any invoices, statements or other documents. The document, as corrected, will be the effective document.

5. PAYMENTS. All payments will apply first to attorney fees and collection costs, then to accrued interest on oldest unpaid invoices, and then to principal due on oldest unpaid invoices, unless otherwise indicated by your remittance advice. You will pay SMI a \$25.00 service fee on all returned checks.

6. SECURITY INTEREST. To secure all obligations owed by you to SMI, you grant SMI a first priority security interest in any products purchased from SMI, including without limitation all goods, equipment, and inventory, and all proceeds, renewals, substitutions, replacements, additions and accessions thereto, until all obligations to SMI are paid in full. You agree that SMI may (but is not obligated to) take appropriate actions to evidence and perfect such interest, and that you will cooperate with SMI with such actions. The security interest granted under this provision constitutes a purchase money security interest under the Ohio Uniform Commercial Code.

7. DEFAULT. If your account is not paid when due, or if you have not complied with any other term or condition of your application for credit, these Terms of Sale, or any other agreement with SMI, then you are immediately in default without further notice to you.

8. SMI's REMEDIES ON DEFAULT. If you are in default, then SMI may, in SMI's sole discretion and without further notice to you, exercise any one or more of the following actions and remedies: (a) temporarily or permanently suspend any further shipments to you, (b) temporarily or permanently suspend your credit, (c) temporarily or permanently ship to you only if you pay cash on delivery ("COD") or if you pay in advance, (d) temporarily or permanently close your account with SMI and terminate any further transactions with you, (e) exercise SMI's rights as a secured creditor under applicable law, (f) collect the amounts owed to SMI, including without limitation initiating a lawsuit, and (g) take any other action or pursue any other remedies which SMI deems appropriate. Once SMI takes any action or remedy because of your default, including without limitation the remedies listed in this Section 8, SMI is not obligated to (a) restore your account and credit or (b) provide you with any other account or credit terms even if you pay the past due amounts in full and satisfy any other requirements of SMI. Upon the occurrence of any default herein by you, you agree to promptly pay to SMI all attorneys' fees, court costs, and expenses incurred by SMI in connection therewith.

9. TITLE AND RISK OF LOSS. Delivery shall be made FOB SMI's facility. Title and risk of loss to the goods and products shall transfer from SMI to you upon the earlier of (i) the departure of the shipment from SMI's facility or (ii) delivery and/or tender of the products to the carrier.

10. DELAYS. SMI is not responsible for the inability to provide goods purchased or delay in providing goods purchased caused or effected by accidents, strikes, weather, war, riots, terrorism, shortage of products or labor by manufacturers, interference or obstruction of transportation routes, carrier shortages, damage to carrier, damage to goods by carrier, any act of God, failure of utilities or telecommunications, or other causes beyond SMI's control. SMI will perform as soon as practicable after the cause of the delay is removed.

11. TAXES AND SHIPPING CHARGES. You will pay all applicable shipping charges and taxes that arise because of the sale and delivery of the products to you. Shipping and delivery charges are dependent on the location, and will be disclosed upon request. The taxes and shipping and delivery charges will appear on the invoice, or you will directly pay the shipper and tax authority. SMI will charge and collect from you all federal excise and state sales taxes that SMI is required to collect. If SMI does not collect sales or use tax from you, you are solely responsible for complying with your state's sales and use tax. SMI will collect the applicable federal excise tax.

12. RETURNS, REFUNDS, AND CREDITS. Carefully read your invoice and check the status of information on backorders, partial shipments, etc. Check the carton for any damage that may have occurred during shipment. If the package was damaged in shipment, please call our Sales Support Team at (740) 927-3464 before returning. Additionally, you must inspect the products within three (3) days of receipt and notify SMI in writing of any products which (i) do not conform to the make, model number, UPC or SKU listed in the applicable purchase order; (ii) do not materially conform to the specifications, as agreed upon by the parties; or (iii) materially exceed the quantity of goods ordered pursuant to the purchase order or other written sale of goods agreement. If you fail to inspect the product or notify SMI as set forth above, you will be deemed to have accepted the product and waived your right of rejection or revocation with respect thereto. You agree to afford SMI prompt and reasonable opportunity to inspect all damage, defect or non-conformance claims.

If you have received merchandise in error, our Sales Support Team will make immediate arrangement to correct your order and your return surface shipping will be reimbursed. You must call our Sales Support Team at (740) 927-3464 for a return authorization number and return mailing address. All returns must be in salable condition and made within thirty (30) days of invoice date - no exceptions. Upon inspection, you will receive credit or refund (in SMI's sole discretion), on merchandise only; we will not refund or provide a credit for shipping and handling fees or return postage. Any credit issued by SMI will not exceed the product's actual purchase price and must be used within one (1) year from the date of issuance. A 15% restocking fee will apply to all returns. For your protection, please insure the package for its full value. CODs are not accepted.

Upon receipt of products, it is your responsibility to carefully inspect and properly remove road grime, abrasives, chemicals, dust, or other residues from all surfaces that may have been deposited during the manufacture or shipment of the goods and products. Use or storage of the goods and products without properly removing residues may result in rust or corrosion. Failure to promptly and properly remove adhesive film from any protective sheeting and other wrappers may cause difficulty in subsequently removing these materials and leave residues. You shall assume total responsibility for any damage to the goods resulting from the failure to promptly and properly remove residues, wrappers or adhesive film.

13. DISCLAIMER AND LIMITATION OF WARRANTIES AND REMEDIES.

A. LIMITED WARRANTY. Please see SMI's Standard Warranty attached hereto and incorporated herein for all warranty terms and information.

B. DISCLAIMER OF WARRANTIES. SMI makes no warranties that extend beyond the description on the face of the Standard Warranty attached hereto. SMI makes no other express or implied warranties, including without limitation, NO IMPLIED WARRANTY OF MERCHANTABILITY, NO IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, WARRANTY OF NON-INFRINGEMENT OR PERFORMANCE OF PRODUCTS, AND NO IMPLIED WARRANTY ARISING FROM ANY COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OF TRADE OR ADVERTISING. The Standard Warranty is the full and complete statement of SMI's limited warranty of the SMI products, constitutes the entire and completely integrated limited warranty of SMI, supersedes all other statements, and cannot be varied by any oral or other written statement.

14. GENERAL INDEMNITY. You will be responsible for all acts and omissions of your employees, associates or agents, wherever occurring, and you agree to indemnify and hold SMI harmless from all liability of any nature for any claims or damages to property, or injuries or death to persons, arising out of their acts or omissions, including without limitation: (a) any claims arising from their operation of the product in a manner inconsistent with any applicable operator's manuals or manufacturer guidelines or from their failure to comply with industry safety standards, and (b) any claims against SMI by or on behalf of any of them for injury or otherwise. In addition, if you are purchasing products for resale to an end user or third party purchaser, you further agree to indemnify, defend and hold SMI harmless from all liability of any nature for any claims or damages arising out of: (x) any warranty, condition, representation, indemnity, or guarantee made by you to any end user or third party purchaser in addition to or in lieu of the limited warranties specified in Section 13 hereof, (y) any omission or inaccuracy in your advertisements and promotional materials related to the products, and (z) any modification of or addition to the products not provided or approved by SMI.

15. DISPUTES, AUTHORIZATION FOR VENUE AND JURISDICTION. All disputes between you and SMI, including without limitation, actions to obtain payment, will be governed by Ohio law and the venue will be located in Columbus, Ohio. You expressly submit to the personal and subject matter jurisdiction and venue of the state and federal courts in Columbus, Ohio. You, SMI, and the guarantor, if any, are the only parties to this Agreement, and there are no intended or incidental third-party beneficiaries. In any dispute the prevailing party will recover from the other party reasonable attorney fees and costs, collection agency fees, and any other costs incurred.

16. CHANGES IN TERMS. At SMI's sole discretion, the Terms of Sale may be modified, amended, or otherwise revised, at any time by notifying you at your statement address at least thirty (30) days in advance of the effective date of the change. All changes to the Terms of Sale will apply to all purchases, returns or other transactions that occur on or after the effective date of the change. You agree with the Terms of Sale by making purchases, returns or other transactions, or by continuing to owe money to SMI, on or after the effective date of the change. If you disagree with the changes in the Terms of Sale, you will stop any further transactions and will repay any money you owe SMI, before the effective date of the change. The Terms of Sale, and all updates to the same, are located on our website at www.screenmachine.com.



STANDARD WARRANTY

SCREEN MACHINE INDUSTRIES LLC™ warrants that all new equipment, or parts thereof, that are manufactured by SCREEN MACHINE INDUSTRIES LLC™ or any of its affiliates will be free of any defects in materials or workmanship for a period of twelve (12) months or one-thousand (1,000) engine hours. This warranty is effective on the date the machine is shipped from our factory to the first retail purchaser, (or) if the machine is placed in service for demonstration purposes prior to sale at retail, on the date the machine is first placed in service. This warranty shall not apply to any equipment or parts thereof that have been subjected to negligent handling, improper use or treatment, inadequate lubrication, adjustment, maintenance or storage, any act or omission contrary to SCREEN MACHINE INDUSTRIES LLC™ instructions, or any use or service other than that for which the equipment or parts were intended, or to any equipment or parts to which there has been fitted or affixed any parts not supplied by SCREEN MACHINE INDUSTRIES LLC™.

The foregoing warranty is exclusive, and neither SCREEN MACHINE INDUSTRIES LLC™ nor its affiliates makes any other warranty or representation of any kind whatsoever, whether expressed or implied, with respect to the equipment or parts sold hereunder, whether as to merchantability, fitness for a particular purpose or any other matter. If any equipment or parts thereof covered by the warranty set forth in the preceding text above are properly returned by buyer/dealer, at buyer's/dealer's sole expense, promptly (within guidelines) upon buyer's/dealer's discovery of any claimed defect and within the twelve (12) month applicable period set forth in the preceding paragraph and such equipment or parts are found to be defective in material or workmanship by SCREEN MACHINE INDUSTRIES LLC™, SCREEN MACHINE INDUSTRIES LLC™ will in its sole discretion, either repair or replace such defective equipment or parts or accept the return of such defective parts at their invoice price. This remedy shall be the exclusive remedy available to the buyer against SCREEN MACHINE INDUSTRIES LLC™ for any defect in the equipment or parts sold hereunder or for damages resulting from any other cause whatsoever, including without limitation, seller's negligence.

The purpose of this exclusive remedy shall be to provide the buyer/dealer with repair and replacement of, or to enable buyer to return at the invoice price, equipment or parts manufactured by SCREEN MACHINE INDUSTRIES LLC™ or its affiliates found to be defective in materials or workmanship or negligently manufactured. This exclusive remedy shall not be deemed to have failed of its essential purpose so long as SCREEN MACHINE INDUSTRIES LLC™ is willing and able to repair or replace said defective equipment or parts in the prescribed manner or is willing to accept return of any such defective equipment or parts at their originally invoiced price.

Neither SCREEN MACHINE INDUSTRIES LLC™ nor its affiliates shall in any event be liable to purchaser for consequential or incidental damages of any kind whatsoever, whether for defective or non-conforming equipment or parts, breach or repudiation of any term or condition of this contract negligence, or any other reason. Furthermore, SCREEN MACHINE INDUSTRIES LLC™ bears no responsibility for downtime, lost revenue or repayment of rental equipment fees as a result of a warranty-covered incident. If payments are not made on time or in full, all warranties shall be null and void and the manufacturer shall have no responsibility or liability with respect to this machine.



STANDARD WARRANTY (continued)

All engine warranties, parts and service, will be handled through the local engine distributor in your area by brand. SCREEN MACHINE INDUSTRIES LLC™ purchases the engines as power units, therefore the radiator, starter, alternator, wiring harness, etc. are all part of the engine package and are covered under the engine warranty. Equipment owners are responsible for registering their equipment's engine with their local distributor. Information can be found in their engine manual. Equipment owners will be responsible for contacting the engine distributors for any warranty work on their power unit. The hydraulic pumps and torque converter are the start of Screen Machine components covered under factory warranty.

- Caterpillar -- 2 years or 2,000 hours, whichever comes first.
- Caterpillar -- 2 years or 3,000 hours on all ACERT Diesel Engines, whichever comes first (Tier III and Tier IV engines).
- Volvo -- 2 years or 3,000 hours, whichever comes first.
- Cummins -- 2 years or 2,000 hours, whichever comes first.
- Yanmar -- 2 years or 2,000 hours, whichever comes first.

SCREEN MACHINE INDUSTRIES LLC™'s factory warranty on all parts except the engine package is for a period of one year or 1,000 hours, whichever comes first. All warranties of equipment sold through dealers will be handled through that distributor. If the equipment was purchased direct from the SCREEN MACHINE INDUSTRIES LLC™ in a non-distributor area, the warranty will be handled through the factory direct. All parts will require return for inspection at the factory, unless otherwise agreed upon. It will be at the discretion of SCREEN MACHINE INDUSTRIES LLC™ to approve or reject warranty claims. If new parts are to be shipped out to keep a customer running, the customer will be billed for those parts at the time of shipment. If and when warranty is approved, the customer will be credited for the invoiced parts. All reimbursements will be made by crediting the account.

All warranties are null and void if the parts have been subjected to negligent handling, improper use or treatment, inadequate lubrication, adjustment, maintenance or storage. Engine warranties are processed through the engine dealers and include both parts and labor. See individual engine warranties for further details. Extended warranties may be available.

LIMITED WARRANTY REGISTRATION

GO TO WWW.SCREENMACHINE.COM AND COMPLETE THIS REGISTRATION FORM WITHIN SEVEN (7) DAYS OF RECEIPT OF THE UNIT. FAILURE TO DO SO WILL VOID THIS WARRANTY AGREEMENT.