



TERMS AND CONDITIONS
(Sale of Products to Customers)

These terms and conditions (these "Terms and Conditions"), together with each proposal and invoice submitted by RESOURCE MATERIAL HANDLING AND RECYCLING, INC. ("Resource") to you ("Customer") (each a "Proposal" and "Invoice," and collectively with these Terms and Conditions, the "Agreement"), exclusively govern and control all sales by Resource of its products (collectively, "Products") to Customer. ACCEPTANCE BY RESOURCE OF CUSTOMER'S ORDER, OR CUSTOMER'S ACCEPTANCE OF A PROPOSAL, IS EXPRESSLY LIMITED TO AND CONDITIONED UPON CUSTOMER'S ACCEPTANCE OF THE AGREEMENT. RESOURCE EXPRESSLY REJECTS ALL ADDITIONAL, INCONSISTENT, OR DIFFERENT TERMS, WHETHER IN CUSTOMER'S ORDER OR OTHER DOCUMENT, REQUEST, OR COMMUNICATION FROM CUSTOMER. CUSTOMER ACKNOWLEDGES THAT, NOT WITHSTANDING ANYTHING TO THE CONTRARY CONTAINED IN CUSTOMER'S ORDER OR OTHER DOCUMENT, REQUEST, OR COMMUNICATION FROM CUSTOMER, CUSTOMER'S RECEIPT AND ACCEPTANCE OF THE PRODUCTS WILL CONSTITUTE ACCEPTANCE OF THE AGREEMENT. ALL ORDERS ARE SUBJECT TO ACCEPTANCE IN WRITING BY RESOURCE AT ITS OFFICE IN MIDDLEFIELD, OHIO, U.S.A.

1. Resource's quotations are estimates only and are not binding on Resource. The actual purchase price for Products will be as stated in the applicable Invoice (the "Purchase Price"). Customer will pay the Purchase Price together with any federal, state, municipal, or other tax applicable to the sale of Products, including, without limitation, sales, occupation, use, excise, value added, and similar taxes, however denominated. Customer will indemnify Resource against, and hold Resource harmless from, all such taxes. Unless otherwise stated on the Invoice, payment is due within 30 days after Invoice date. Payments more than 30 days late are subject to a finance charge of 1.5% per month. Customer shall make all payments without setoff or reduction of any kind for any reason. All payments must be sent to Resource at: Resource MHR: P.O. BOX 4148, Mooresville, NC, 28117 U.S.A.
2. Resource will ship the Products FOB Origin. For international sales, Resource will ship the Products FOB place of manufacture. Resource will select the carrier unless the carrier is designated by Customer, and upon delivery of the Products to the carrier, title and risk of loss will pass to Customer. Any quoted shipment date is approximate. No delay in shipment or delivery will give rise to any liability for damages, including, without limitation, incidental or consequential damages, and Customer hereby waives and releases any such claim. If for any reason Customer fails to accept delivery of any Products, or if Resource is unable to deliver Products because Customer has not provided appropriate instructions, documents, licenses, or authorizations: (a) risk of loss to Products shall pass to Customer; (b) Products shall be deemed to have been delivered; (c) Resource, at its option, may store Products until Customer picks them up, whereupon Customer shall be liable for all related costs and expenses (including, without limitation, storage and insurance); and (d) Customer will compensate Resource for any other associated loss, damage, and additional expense suffered or incurred by Resource as a result of such delay.
3. Resource warrants that the Products when delivered will be free from defects in title and be of a kind as described in the order; provided, however, that this warranty (exclusive of title) shall be limited to material and parts found to be defective for which claim is made by Customer in accordance with Section 7. If Resource and Customer have not agreed in writing on specifications for the Products,

Resource warrants that the Products when delivered will meet Resource's Inspection Quality Levels for goods of the type sold in effect on the day of delivery, unless Customer has received a sample or model, in which case Resource's warranty will be satisfied if the Products conform either to the sample or model or to Resource's Inspection Quality Levels. If Resource and Customer have agreed in writing on specifications for the Products, Resource warrants that the Products will conform to the specifications in all material respects, unless Resource has received a sample or model, in which case Resource's warranty will be satisfied if the Products conform either to the sample or model or to the specifications. Resource's warranty will not extend to any Products that have been subjected to: (a) improper installation or storage; (b) accident, damage, abuse, or misuse; (c) modification by any party other than Resource; (d) abnormal or unusual operating conditions or applications; (e) operating conditions or applications above the rated capacity of the Products; (f) operating conditions or applications not made known to Resource in writing prior to the date of the order; or (g) a purpose or application in any way different from that for which the Products were designed.

4. THE WARRANTIES SET FORTH IN SECTION 3 ARE THE ONLY WARRANTIES RELATING TO THE PRODUCTS AND ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, FREEDOM FROM CLAIMS OR OTHERS BY WAY OF INFRINGEMENT OR THE LIKE, OR OTHERWISE. Any other statements, oral or written, inconsistent with the warranties set forth in Section 3 are not binding on Resource. No agent, employee, or representative of Resource has any authority to bind Resource to any affirmation, representation, or warranty concerning the Products.
5. To secure payment of the Purchase Price and performance of Customer's other obligations to Resource, whether under the Agreement or otherwise, Customer grants Resource a purchase money security interest in the Products. Customer agrees to execute UCC financing statements and other documents requested by Resource to perfect Resource's security interest in the Products.
6. If Customer fails to timely pay the Purchase Price or perform any of Customer's other obligations under the Agreement, without in any manner limiting the damages to which Resource may be entitled, Customer will pay on demand the costs of collection, including, without limitation, reasonable attorneys' fees. "Costs of collection" include, without limitation, the cost of enforcing or contesting any security interest in Customer's property, including, without limitation, the Products, together with the costs of removing, repairing, and reselling any Products.
7. Notice of claim, including, without limitation, a claim for breach of the warranties in Section 3, must be given to Resource in writing within 30 days after receipt of the Products. Resource reserves the right to inspect an alleged defect at Customer's facility before any claim can be allowed and before adjustment, credit, allowance, replacement, or return will be authorized. Customer shall not return any Products unless Customer has first obtained a written return authorization from Resource.
8. IN NO EVENT WILL RESOURCE BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT

LIABILITY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR INJURY TO PERSONS OR PROPERTY, LOST PROFITS OR REVENUE, LOST SALES, OR LOSS OF USE. CUSTOMER'S SOLE AND EXCLUSIVE REMEDY AGAINST RESOURCE WILL BE THE REPLACEMENT OF DEFECTIVE PARTS AS PROVIDED HEREIN OR REFUND OF THE PURCHASE PRICE FOR DEFECTIVE PRODUCTS, AT RESOURCE'S SOLE OPTION. RESOURCE'S LIABILITY ON ANY CLAIM, WHETHER IN CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY, OR OTHERWISE, FOR ANY LOSS OR DAMAGE ARISING OUT OF OR IN CONNECTION WITH THE PRODUCTS, THE AGREEMENT, OR CUSTOMER'S ORDERS, SHALL IN NO CASE EXCEED THE PURCHASE PRICE SET FORTH IN THE APPLICABLE INVOICE.

9. All rights and remedies of Resource provided in the Agreement are cumulative and not exclusive, and the exercise by Resource of any right or remedy does not preclude the exercise of any other rights or remedies that may now or subsequently be available at law, in equity, by statute, in any other agreement between the parties, or otherwise.
10. Resource may cancel an order at any time prior to shipment. Customer may not cancel an order once it is accepted by Resource. Resource will be deemed to have accepted an order once it notifies Customer of acceptance or when it begins work under the order, whichever occurs first.
11. All intellectual property rights in and related to the Products (and all accompanying information, specifications, and drawings), including any replication, copy, derivative, improvement, or progeny thereof, shall be and remain, vested in Resource ("Resource IP"), and under no circumstances will Customer have any right under or to Resource IP. Customer shall not use any Resource IP without Resource's prior written consent.
12. Customer is in compliance with and shall comply with all applicable laws, regulations, and ordinances. Customer has and shall maintain in effect all the licenses, permissions, authorizations, consents, and permits that it needs to own and operate Products and carry out its obligations under the Agreement.
13. Customer shall indemnify, defend, and hold harmless Resource and its shareholders, officers, directors, employees, agents, affiliates, successors, and assigns (collectively, "Indemnified Party") against any and all losses, damages, liabilities, deficiencies, claims, actions, judgments, settlements, interest, awards, penalties, fines, costs, fees, or expenses of whatever kind, including reasonable attorneys' fees, and the costs of enforcing any right to indemnification hereunder and the cost of pursuing any insurance providers, in any way relating to a claim arising out of or occurring in connection with (a) the Products, (b) Customer's negligence or willful misconduct, or (c) Customer's breach of the Agreement. Customer shall not enter into any settlement without Resource's prior written consent.
14. Customer may not assign the Agreement or any interest in the Agreement without Resource's prior written consent.
15. Each party shall be considered to be an independent contractor under the Agreement. The relationship between the parties shall not be construed to be that of employer and employee, nor to constitute a partnership, joint venture or agency of any kind. Neither party shall have the right to bind the other party to any contract or other commitment.
16. If any term or provision of the Agreement are invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or unenforceability shall not affect any other term or provision of the Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.
17. Any delay or failure of Resource to perform its obligations under the Agreement will be excused to the extent that the delay or failure was caused by (a) Customer's failure to provide necessary access to Customer's premises, personnel, utilities, and services or (b) an event

or events beyond Resource's control (including, but not limited to, natural disasters, embargoes, epidemics, explosions, riots, wars, acts of terrorism, strikes, labor stoppages or slowdowns or other industrial disturbances, and shortage of adequate power or transportation facilities).

18. The Agreement constitutes the entire agreement between Resource and Customer relating to the Products. Any certification by Resource in a separate writing as to compliance of material and parts with specifications, blueprints, part numbers, quantity, test, or otherwise will in no way increase or vary Resource's obligations or liability under the Agreement. No modification or waiver of any term or condition of the Agreement will be effective unless in writing signed by authorized representatives of Customer and Resource.
19. The Agreement shall be governed by and construed in accordance with the internal laws of the State of Ohio, U.S.A. without giving effect to any choice or conflict of law provision or rule (whether of the State of Ohio or any other jurisdiction) that would cause the application of laws of any jurisdiction other than those of the State of Ohio. Any legal suit, action, or proceeding arising out of or related to the Products, the Agreement, or the matters contemplated under the Agreement, shall be instituted exclusively in the federal or state courts located in Ohio, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action, or proceeding and hereby waives any objection based on improper venue or *forum non conveniens*; provided, however, that nothing contained herein will prevent Resource from bringing any action or exercising any rights against Customer or its property within any other state or nation. Neither the Uniform Law on International Sale of Goods, Uniform Law on Formation of Contracts for International Sale of Goods, nor the United Nations Convention on the International Sale of Goods of 1980 (and any amendments or successors thereto) will apply to the Agreement.