

Kinetics Industries, Inc.

140 Stokes Ave.

Trenton, NJ 08638

Tel: 609-883-9700 Fax: 609-883-0025

Web site: *Kinetics-industries.com*

E-mail: info@kinetics-industries.com

Kinetics Industries, Inc.

Standard Terms & Conditions Of Product & Services Sale

Any provisions or conditions of Buyers order which are in any way inconsistent with, or in addition to Seller's terms and conditions shall not be binding on, Seller, and shall not be applicable, except with Seller's written permission. No changes in modifications of or additions to the terms and conditions on the face or reverse of this form shall be binding on Seller unless in writing and signed by a representative of Seller duly authorized for that purpose.

1) Price:

1. Prices for product, units & parts are FOB. point of shipment unless specifically stipulated and agreed to in the purchasing agreement.
2. Quotations are subject to acceptance within thirty (30) days from date. In the event of any subsequent, changes in specifications indicated by Buyer's purchase order, the Seller may adjust the price to cover such changes.
3. Prices on equipment of Seller's manufacture are firm, provided it is shipped within six months from date of purchase.
Equipment not shipped in these six months will be billed at Seller's prices effective at time of shipment.
4. Prices on equipment of other manufacturers are subject to escalator clause of Seller's supplier, if any.
5. Any excise, sales or use taxes applicable to material sold, which the Seller is required to pay or collect, will be paid by the Buyer, unless Buyer provides Seller with a proper tax exemption certificate.

2) Terms:

1. Domestic terms of payment are thirty (30) days NET from date of invoice, no discounts, unless otherwise specified to approved credit. Fees for payment by EFT are by the payee.
- 2) International sales require a deposit with the order and payment, in US dollars, before shipment over an international border.
2. For late payment, the Buyer is subject to a service charge of 1 3/4% per month for each month or part of a month on the unpaid balance, and collection thereof will be at Buyer's expense.
3. No payments made to representatives or agents will be valid.
4. Minimum billing for any products and/or parts sold by the Seller shall be \$50.00 net, exclusive of all transportation.
5. Pro rata retain age fees or back charges will not be accepted by Seller. Collection of such deductions from payments will be enforced at Buyer's expense.
6. Product warranty is contingent upon payment being made in full; including but not limited to, service charges, freight bills and engineering services applied to the product.

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3) Delivery:

1. Delivery dates are estimated by Seller on the basis of the best information available and cannot be guaranteed. The Seller shall not be liable for any delay in the delivery or shipment of products or for any damage suffered by the Buyer by reason of such delay, when such delay is directly or indirectly caused by or in any manner arises from (a) Acts of God, act of Buyer, government or military acts, regulation or requests, fire, accident, strike, flood, epidemic, war, riot, or delay in transportation; (b) inability to obtain necessary labor, materials, components, or manufacturing facilities; (c) changes in specifications, direction, or design requested or agreed to by Buyer, or (d) Buyer's delay in approving documents and any other cause or causes beyond Seller's reasonable control. The Seller shall have no liability for any liquidated damages, or penalty whatsoever unless specifically agreed to, in writing.
2. Claims for damage to or loss of equipment in transit must be submitted to Seller within five (5) days of receipt of goods and must be accompanied by a signed copy of the carrier's freight bill (Notice of Delivery). Full disclosure of damages or shortage should be made on the freight bill, as a condition to filing a claim against the carrier.
3. In the event delivery is refused, the Buyer shall give written notice of rejection within five (5) days following date of rejection, specifying the reason therefore. Failure to provide this information may cause Buyer's order to be treated as a cancellation and, in such event, cancellation charges will apply.
4. Seller reserves the right to ship all or any part of the equipment from any shipping point of any of its sources of supply other than the shipping point or points specified here in. Shipment will be made by the method or carrier deemed most feasible by Seller.

4) Cancellation & Returned Goods:

1. Cancellation of order by Buyer, or any part thereof, will not be effective unless accepted by Seller in writing. Accepted cancellation will be subject to a charge to cover material consumed, work performed and other commitments or expenses made or incurred to the date of acceptance.
2. No equipment sold, shall be returned to Seller without Seller's written authorization. Where returns are accepted for credit, a minimum deduction of 25% will be made for re-handling and/or reconditioning, except where the fault lies with Seller.
3. All transportation charges must be prepaid upon return of any equipment, with our authorization, (RETURN MATERIAL TAG) firmly attached to the shipment. Notice should be given Seller the same day as shipment, furnishing copy of Bill of Lading, order number and invoice date.

5) Limit Liability:

1. The liability of Seller is limited to replacing, repairing, or issuing credit (at Seller's discretion) for any products with alleged defects in material, or workmanship, returned within the warranty period. Final determination as to whether a product is actually defective rests with the Seller.
2. The Seller assumes no responsibility for equipment operated above its rated capacity; used for

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experimental or development projects, or for a purpose for which it was not designed; nor any damage to the product from abrasion, erosion, corrosion, deterioration of the like due to abnormal temperatures or the influence of foreign matter of energy.

The Seller shall not be liable for equipment that has been subject to misuse, neglect, improper installation, repair, alteration or accident.

3. The Seller reserves the right to accept or reject any charges in connection with the removal or replacement of alleged defective equipment, including incidental or consequential damages.

4. The Buyer shall use and require its employees to use adequate safety devices, guards and proper safe operating procedures in utilizing products furnished by Seller. If the Buyer fails to observe these obligations with regard to any of the Seller's products, the Buyer agrees to protect and indemnify Seller against all claims for injury to persons or damages to property in connection with the operation or use of such products.

6) General Conditions of Sale:

1. Non-stock products made specifically to order are not subject to return for credit. Any portion of non-stock products in process of manufacture is not subject to cancellation. Any changes after manufacture has started could necessitate additional charges for work done and material consumed.

2. Quotations are merely negotiations to trade and are not offer to contract.

3. Seller reserves the right to correct any factory, engineering, clerical and/or stenographic errors or omissions.

4. Use of Buyer's material, parts or equipment will subject order to cancellation if said material is defective or will not perform to Seller's requirements. Seller may cancel order without incurring liability, but Buyer shall pay Seller's costs through time of cancellation.

5. Changes in design are made at the Seller's discretion. Seller has no obligation to incorporate these changes in units manufactured prior to the change.

6. It is expressly understood that any all drawings, instructions, and/or technical and engineering services which Seller may furnish with reference to the installation or use of its product, are furnished solely for the review and approval of Buyer and its engineers. Seller makes no representations or warranty with respect to the accuracy or sufficiency of any such information and assumes no obligation or liability for results obtained.

7) Freight Damage & Repair:

Units are shipped FOB Trenton, NJ. The receiving party, customer, has a responsibility to inspect the equipment for damage, both external & internal prior to accepting delivery. Any indications of damage must be documented at the time of arrive, accepting delivery. In the event of freight damage, no matter how slight, the receiving party has the responsibility to file the freight claim and arrange for inspection. Kinetics is not responsible for the cost of repair of damaged incurred during transit or the cost of transit to make repairs.

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8) Attorney Fees:

1. In the event of a dispute hereunder, Kinetics shall be entitled to an award of its reasonable any and all collection and attorney fees & expenses from the buyer.
2. Legal disputes will be contested in Mercer or Burlington County New Jersey.

9) Applicable Laws:

3. These standard term & conditions, and any agreement resulting from the same shall be governed by and construed in accordance with the laws of the State of New Jersey. Buyer consents to personal jurisdiction and venue in state or federal court in Mercer or Burlington Counties, New Jersey, for the purpose of entry of any arbitration award or for purposes of resolving any disputes or collection of unpaid funds hereunder.

STANDARD STATEMENT OF LIMITED WARRANTY AND LIMITATION OF LIABILITY

Equipment manufactured by Kinetics Industries, Inc., is guaranteed for a period of one year from date of shipment against defects in materials and/or workmanship and to operate in accordance with our proposals, specifications and name-plate data under conditions of proper installation, rated load, environment and usage. Any defects in materials and/or workmanship will be repaired or replaced at our option, FOB. our plant, at our option, in the field under straight-time conditions only. Kinetics shall in no event be responsible for special, indirect or consequential damages, nor for repairs or replacements made by others without the written authorization of Kinetics. Correction of detects by repairing or replacing shall constitute the fulfillment of Kinetics warranty. Kinetics' liability on any claim of any kind, including negligence, for any loss or damage arising out of, connected with, or resulting from the sale of Kinetics' equipment shall in no case exceed the total price paid to Kinetics for such equipment. The foregoing warranty is in lieu of any other warranty or obligation, expressed or implied, and no liability is assumed by Kinetics Industries, Inc. except as it is expressly stated above. It is expressly understood and agreed that Kinetics makes no warranty with respect to any equipment not manufactured by Kinetics or with respect to any components of Kinetics' equipment manufactured by others. In all such cases, the Buyer shall rely solely on the warranty of the manufacturers of such equipment or component, if any.

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Legal – Sales Terms 082513-SS