

2641 Schaeffer Dr S.W. • Cedar Rapids, IA. 52404 • Phone 319-721-6553 • Fax 319-247-4773 • inlinesolutionsinc@gmail.com

Terms and Conditions

- Offer, Governing Provisions. These Terms and Conditions, together with the Quotation, constitute a binding agreement between InLine Solutions, Inc. ("Seller") and Buyer for the sale and purchase of the products ("Products") and services ("Services") described in the Quotation (these Terms and Conditions together with the Quotation are referred to herein as this "Agreement"). Buyer accepts this Agreement by signing the Quotation and returning it to Seller or by submitting payment for the Products and/or Services. This Agreement contains the entire understanding of the parties with respect to the matters contained herein and supersedes and replaces in its entirety any all prior communications and contemporaneous agreements and understandings, whether oral, written, electronic or implied, if any, between the parties with respect to the subject matter hereof. NO ADDITIONAL TERMS OR DIFFERENT TERMS OR CONDITIONS SHALL BE BINDING UPON SELLER NOR CAN THE BUYER'S ACCEPTANCE LIMIT OR ALTER SELLER'S TERMS AND CONDITIONS UNLESS SPECIFICALLY AGREED TO IN WRITING SIGNED BY DULY AUTHORIZED PERSONNEL OF THE SELLER. These Terms and Conditions are subject to change without prior notice, except that the Terms and Conditions in effect at the time Buyer places an order or signs a Quotation will govern the order in question, unless otherwise agreed in writing by Seller and Buyer.
- 2. Delivery, Risk of Loss and Transportation Costs. All Products are sold F.O.B. Seller's plant/warehouse in Cedar Rapids, IA unless otherwise stated in the Quotation. Delivery of Products to a carrier at Seller's warehouse or other loading point shall constitute delivery to the Buyer ("Delivery"); and regardless of shipping terms or freight payment, all risk of loss or damage in transit shall be borne by the Buyer. Method and route of shipment shall be at the discretion of Seller unless otherwise specified in the Quotation, and any additional expenses of the method or route of shipment specified shall be borne entirely by Buyer. Unless otherwise stated in the Quotation, Buyer shall bear all costs of bags, barrels, boxes, pallets, or other containers used to ship a Product sold hereunder. No shipping container may be returned to Seller unless such return is accepted by Seller in writing and all return freight is prepaid by Buyer. In the event of shipment outside of United States, Buyer shall be responsible for compliance with all applicable customs regulations and requirements.
- Partial Shipments, Claims and Delays, Seller reserves the right to make delivery in installments, unless otherwise expressly stipulated in the Quotation. All such installments shall be separately invoiced and paid for when due per this Agreement or invoice, as applicable, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Buyer of its obligations to accept remaining deliveries. If Seller or its agent installs the Products, Buyer shall be deemed to have accepted the Products upon the earlier of: (a) ten (10) calendar days after Seller verbally notifies Buyer that it has completed assembly ("Installation"); and (b) the date Buyer first uses the Products. If Seller does not install the Products, Buyer shall be deemed to have accepted the Products upon the earlier of (a) ten (10) calendar days after Delivery; and (b) the date Buyer first uses the Products. Except as may otherwise be expressly provided in the Quotation, Buyer shall be responsible to inspect the Products delivered and to notify Seller in writing within the applicable time frame of any complaint that relates to such Products (including without limitation claims for shortages), and failure to give such notice shall constitute unqualified acceptance. If the inspection is not satisfactory to the Buyer, in its reasonable judgment, the Buyer must notify Seller within twenty-four (24) hours of the inspection. Claims for loss or damage to Products in transit shall be made to the carrier and not to the Seller. Seller shall not be liable for any damage as a result of any delay due to any cause beyond Seller's reasonable control, including, without limitation, an act of God, act of the Buyer, act of the carrier, embargo or other governmental act, regulation or request, fire, accident, strike, slow-down, war, riot, delay in transportation, inability to obtain necessary labor, materials, or manufacturing facilities.
- 4. Payment. Unless otherwise provided in the Quotation, payment of the purchase price set forth in the Quotation ("Purchase Price"), in a form acceptable to Seller, shall be made as follows: (a) down payment of 50% of Purchase Price shall be made at time of order; (b) additional 40% of Purchase Price shall be paid prior to Delivery; and (c) the balance of the Purchase Price shall be paid ten (10) calendar days after Delivery if Seller does not install the Products and ten (10) calendar days after Installation if Seller or its agent installs the Products. Buyer represents and warrants to Seller that: (a) Buyer has the power to make, deliver and perform under this Agreement; (b) the person accepting this Agreement is authorized to do so on behalf of the Buyer; (c) this Agreement constitutes a valid obligation of Buyer, legally binding upon it and enforceable in accordance with its terms; (d) all credit, financial, and other information submitted to Seller in connection with this Agreement is and shall be true, correct and complete; (e) the Buyer, if an individual, has his or her principal residence in the state indicated in the Quotation; or if a registered entity, is registered under the laws of the state indicated in the Quotation; or if a non-registered entity, has its principal place of business in the state (if multiple offices, the state where the chief executive officer is located) set forth in the Quotation; (f) Buyer's name set forth on the Quotation is Buyer's full, legal name; and (g) the Products shall remain located in the state indicated in the Quotation until payment of the Purchase Price is made in full. Late payments accrue a late charge of 1% per month, or the highest rate allowed by law. Buyer shall reimburse Seller for all costs incurred in collection (including reasonable attorney's fees and court costs). Until payment is made in full, Seller retains and Buyer hereby

grants to Seller a security interest in the Products and authorizes the filing of a financing statement reflecting such security interest. Buyer shall, at its expense, do any act and execute, acknowledge, deliver, file, register, record, and ratify all documents requested by Seller, in Seller's discretion, to perfect Seller's security interest in the Products. Any breach by Buyer of the terms, representations, or warranties of this Agreement or the terms of any invoice for the Products or Services, shall constitute an event of default, and all amounts owing to Seller shall be immediately due, and Seller shall have all rights and remedies in law or in equity, Including but not limited to, the Uniform Commercial Code, and as set forth herein. In addition, and notwithstanding the foregoing, if during the period of performance of an order, the financial condition of the Buyer shall adversely change, or if the Buyer shall fail to make any payments when due, Seller may, at its sole option, require full or partial payments in advance before proceeding with the order and charge Buyer a reasonable storage fee. Buyer shall, upon the request of Seller prior to payment in full of the Purchase Price, provide Seller with such financial information as Seller shall reasonably request in order to determine if the Buyer's financial condition has adversely changed.

- 5. Taxes and Other Charges. All taxes, including any manufacturer's tax, retailer's occupation tax, use tax, sales tax, excise tax, duty, custom, inspection or testing fee, or any other tax, fee or charge of any nature whatsoever imposed by any governmental authority on or measured by the transaction between Seller and Buyer ("Taxes") shall be paid by the Buyer in addition to the Purchase Price. The Purchase Price includes only those Taxes separately stated on the Quotation, if any. Buyer is responsible for payment of all Taxes unless the Seller provides a tax exemption certificate that is acceptable to taxing authorities. In the event the Seller is required to pay any Taxes, the Buyer shall indemnify Seller and hold Seller harmless from and against all liability relating to such Tax, including but not limited to any Tax imposed due to failure of an exemption certificate to comply with regulatory requirements.
- 6. Warranties. Buyer understands that Seller is not the manufacturer of the Products purchased by Seller hereunder and, unless otherwise provided in the Quotation, the only warranties offered are those of the manufacturer, not the Seller or its agents. Buyer acknowledges that in purchasing the Products, the Buyer is relying on the manufacturer's specifications only and is not relying on any statements, specifications, or other information that may be provided by Seller or its agents. Except as may otherwise be set forth in the Quotation, used Products and Services are sold "as is", and without any warranties.
- 7. Disclaimers of Warranty. SELLER MAKES NO, AND HEREBY EXPRESSLY DISCLAIMS ALL, WARRANTIES, EXPRESS, STATUTORY OR IMPLIED, RELATING TO THE PRODUCTS OR SERVICES INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT, TITLE, QUIET ENJOYMENT, COMPLIANCE WITH LAW OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTY RELATING TO THIRD PARTY SERVICES. Any suggestions made by the Seller concerning the Product, its use, its performance, its production capabilities, quality requirements and/or suggestions with respect to equipment design, engineering, use or the like, are to be construed as suggestions only and any and all specified intended uses should be confirmed by Buyer's independent testing. The use of any sample in connection with the sale is for illustrative purposes only, and may not to be construed as a warranty that the Product will conform to that sample. Buyer acknowledges that none of the Seller's agents, employees, or representatives have any authority to bind Seller to any affirmation, representation or warranty other than those stated in this Agreement. It shall be the sole responsibility of the Buyer to comply with all federal, state and local rules and regulations concerning the installation and use of Products.
- 8. Cancellation and Return. No order may be canceled or altered by Buyer except upon terms and conditions acceptable to Seller as evidenced by written consent signed by duly authorized personnel of Seller. In the event of an approved cancellation, Seller shall be entitled to payment for all finished and in-process Products, as well as any cost incurred in the preparation of Buyer's order to the date of cancellation. Products may be returned to the Seller only with Seller's prior written consent, signed by duly authorized personnel of Seller. Products manufactured to special order are not subject to return. In the event of an approved return of Products, the returned Products must be securely packaged to reach Seller without damage; and any cost incurred by Seller to put Products in marketable condition will be charged to Buyer.
- 9. Limitation of Liability; Buyer's Indemnity. Seller shall not be liable to Buyer or any third party for any consequential, special, incidental, indirect, administrative, exemplary, punitive or other damages arising out of or related to its performance under this Agreement, whether based upon breach of this Agreement, warranty, or negligence, and whether grounded in tort, contract, civil law, or other theories of liability, including strict liability, even if advised in advance of the possibility of such damages. Seller's maximum liability under or in any way relating to this Agreement shall not exceed the Purchase Price for the Products or Services upon which such liability is based. Buyer shall indemnify and hold harmless Seller and its owners, officers, directors, employees and subcontractors from and against any and all losses, claims, liabilities, damages, suits and obligations of any kind, including, without limitation, attorney fees and other costs, arising out of or in connection with the Products and/or Services provided hereunder.
- 10. General. The laws of certain jurisdictions prohibit the limitation of certain warranties and the remedies and damages for the breach of such warranties. If any provision of this Agreement is held to be invalid under any applicable statute or rule of law, then such provision shall be deemed null and void to the extent that it may conflict therewith and all other terms shall remain in effect, No waiver of any provision hereunder shall constitute a subsequent waiver of that or any other provision. This Agreement may not be assigned by the Buyer without the prior written consent of Seller. Seller may hire subcontractors to perform work under this Agreement. Whenever a conflict between the provisions of these Terms and Conditions and the Quotation occurs, the provisions of the Quotation shall supersede and control such conflict. Unless otherwise provided herein, any notice required or permitted under this Agreement must be given in writing to the address provided in the Quotation, or such other address as either party may provide to the other in writing in the manner contemplated hereby and will be deemed effective as follows: (a) if delivered in person or by courier, on the date it is delivered; or (b) if sent by certified or registered mail or the equivalent (return receipt requested), three (3) days after posting, with first class postage, in the U.S. Mail. Any dispute resulting from this Agreement shall be governed by and construed exclusively according to the law of the State of

Illinois and venue for any dispute arising hereunder shall rest exclusively in the State or Federal Courts located in Linn County, lowa. This Agreement may only be amended in writing signed by both parties hereto. This writing and these terms and conditions shall be governed by and construed according to the internal laws of the State of Iowa. Products and authorizes the filing of a financing statement reflecting such security interest. Buyer shall, at its expense, do any act and execute, acknowledge, deliver, file, register, record, and ratify all documents requested by Seller, in Seller's discretion, to perfect Seller's security interest in the Products. Any breach by Buyer of the terms, representations, or warranties of this Agreement or the terms of any invoice for the Products or Services, shall constitute an event of default, and all amounts owing to Seller shall be immediately due, and Seller shall have all rights and remedies in law or in equity, Including but not limited to, the Uniform Commercial Code, and as set forth herein. In addition, and notwithstanding the foregoing, if during the period of performance of an order, the financial condition of the Buyer shall adversely change, or if the Buyer shall fail to make any payments when due, Seller may, at its sole option, require full or partial payments in advance before proceeding with the order and charge Buyer a reasonable storage fee. Buyer shall, upon the request of Seller prior to payment in full of the Purchase Price, provide Seller with such financial information as Seller shall reasonably request in order to determine if the Buyer's financial condition has adversely changed.

11. Usage rights. Systems remain property of InLine Solutions, Inc. until full payment is received and cleared. Some software does feature a user registration process. Systems are delivered with temporary rights of registration that can and will expire if payment terms are not met. Your ability to quality inspect your products will be affected by this procedure, please make sure you inform your accounting department of your machine acceptance. Once Final Payment is received you will be given a permanent registration code that releases the equipment to you

These Terms and Conditions are effective as of Jan 1, 2011