

# ***MARK RITE LINES EQUIPMENT CO., INC.***

5379 Southgate Drive  
Billings, Montana 59101  
(406) 869-9900

**THIS AGREEMENT made and entered into this 7<sup>th</sup> day of December 2022, by and between MARK RITE LINES EQUIPMENT CO., INC., with principal office at 5379 Southgate Drive; Billings, Montana 59101; hereinafter referred to as "Seller", and THE DESCHUTES COUNTY ROAD DEPT. with principal office at 61150 SE. 27<sup>TH</sup> ST. BEND, OREGON 97702; hereinafter referred to as "Buyer".**

**\* WITNESSETH \***

- I. Subject to the terms and conditions herein expressed, Seller hereby agrees to assemble for Buyer, and Buyer hereby agrees to contract for assembly from Seller the following piece of equipment:
  - a. **A TRUCK MOUNTED MRL MODEL 1-660-ALS AIRLESS WATERBORN PAINT STRIPING APPARATUS.** The assembly of this particular piece or item of equipment shall be upon the express terms and conditions set forth.
- II. Any components manufactured by **MRL EQUIPMENT CO., INC.**, shall be warranted for twelve (12) months from its delivery date. All other parts, pieces and equipment shall be covered according to their manufacturer's policies. No other warranty expressed or implied is included.
  - a. This warranty does not apply to defects caused by damage or improper or abusive use while in the possession of the consumer. Seller shall not be liable for consequential damages of any kind regardless of causal factor.
- III. Training on the operation of equipment manufactured by **MRL EQUIPMENT CO., INC.**, will be supplied by Seller's technician or technicians as follows:
  - a. One (1) **MRL EQUIPMENT CO., INC.** technician will provide training at Buyer's office or jobsite for three (3) consecutive days for initial training.
- IV. A service and parts manual will be provided with each piece or item of equipment.
- V. The following equipment, parts and systems will be assembled by the Seller to provide to the Buyer an item of equipment capable of applying reflectorized waterborne paint marking materials.
- VI. MRL Equipment is part of the BUY BOARD Purchasing Cooperative.
  - a. MRL's contract reference number is: 685-22

## **1. CAB & CHASSIS**

### **1.1. CUSTOMER SUPPLIED CAB CHASSIS delivered to MRL Equipment:**

- 1.1.1. Freightliner Econic SD High Cab & Chassis. 204" WB. 66,000 GVW. 20,000 lb. capacity front axle with 20,000 lb. air suspension and 20,000 lb. capacity tires. 46,000 lb. capacity rear axles with 46,000 lb. capacity air ride suspension and tires. 350 HP Detroit DD8 7.7L turbo diesel engine with DEF system, 160-amp alternator, vertical exhaust and engine brake. Allison 3300 RDS 6-speed electronic automatic transmission. 5:85 rear end ratio. Adaptive cruise control, lane departure warning system, back up/blind spot camera system, power windows, power mirrors and adjustable tilting steering wheel. Air-ride driver's seat. Disc brakes with active brake assist and anti-lock feature. Air horn, stereo, air conditioning, LED taillights/headlights. (1) 50-gallon fuel tank. 385 65R tires on the front axle. Single left-hand steering.
  - 1.1.1.1. Chassis cab factory white with the equipment: tanks, air compressor, rear operators' enclosure and paint gun carriage solenoid enclosures painted white. Equipment bed, tailboard, and gun carriages powder-coated black. DOT inspection performed on the chassis prior to shipping.
  - 1.1.1.2. Chassis window tinting will be sourced by the customer and done at MRL before unit completion.
  - 1.1.1.3. One (1) additional 50 gallon fuel tank installed on the chassis.

## **2. EQUIPMENT PARTS AND SYSTEMS - POWER EQUIPMENT**

- 2.1. Boss 210 cfm utility mount air compressor with final tier 4 John Deere 74 HP diesel engine. Hydraulic reservoir and Combination hydraulic oil/ Air end oil cooler with a hydraulically driven fan mounted to top of compressor enclosure. Air cooler heat exchanger with a hydraulically driven fan for the compressed air system mounted to the top of the air compressor housing. The Fuel source is the chassis fuel tanks for the air compressor.
- 2.2. Hydraulic systems powered by hydraulic pumps on:  
The Boss 210 air compressor and the Chelsea Power Take Off on the chassis' Allison transmission.

## **3. FABRICATED PARTS**

- 3.1. Steel diamond plate 96" wide equipment bed platform with railings and rear access steps, a rear enclosure canopy with a build in arrow board rack, 96" wide X 24" deep steel rear deck, rear handrails, rear step to access the operators stations, and all required ICC lights.
- 3.2. Two (2) SST Low Pressure paint filter assemblies with SST filter elements.
- 3.3. Four (4) bead manifolds with exhaust mufflers mounted on the gun carts. (2) per carriage.
- 3.4. Heavy duty, hydraulically extendable square tube diamond shaped gun carriage assemblies. C/L carriage extends 48"; E/L carriage extends 60".
- 3.5. Hydraulically raised and lowered heavy duty scissors style gun carts.
- 3.6. Mounted tilt and telescoping hydraulic steering orbitals with steering wheels to control the lateral movement of the gun carriages.
- 3.7. Two (2) lockable toolboxes mounted on the rear of the deck area with two (2) high back bucket seats with armrests and seat belts mounted on top of the toolboxes.
- 3.8. Four (4) additional lockable toolboxes installed on the unit.
- 3.9. Two (2) weather-resistant, stainless-steel boxes to protect the skipline switch boxes.
- 3.10. Steel glycol expansion tank for the paint heating system mounted to the striper bed.
- 3.11. Hydraulic reservoir with sight gauge, magnetic particle separator, interior baffles and removable lid.
- 3.12. Two (2) high-pressure paint pump and heat exchanger mounting assemblies installed on striper bed.
- 3.13. No (0) pointer guidance bar mounted on the front of the chassis bumper.

#### **4. REAR OPERATOR'S ENCLOSURE**

- 4.1. Heated and cooled climate-controlled rear cab enclosure.
- 4.2. Two (2) Red Dot Air Conditioning units installed on the top of operator's enclosure. Units to be protected by brush guards.
- 4.3. Enclosure is 8' wide with windows on each side.
- 4.4. Interior dome lights mounted in the ceiling above the operator stations.
  - 4.4.1. Two (2) LED reading/map lights installed.
  - 4.4.2. Two (2) RED LED lights installed for night use.
- 4.5. Two (2) cup holders installed; one for each operator.
- 4.6. Full heavy-duty black rubber floor mat installed for sound suppression.
- 4.7. All windows will be tinted to the customers specification.
  - 4.7.1. Window tinting will be sourced by the customer and done at MRL before completion.
- 4.8. Two (2) vertically siding windows, one per side EL/CL.
- 4.9. Two (2) non-opening windows installed in the front corners of the enclosure at 45-degree angle (one per side).
- 4.10. Two (2) non-opening windows in the rear of the enclosure.
- 4.11. Two (2) locking doors with windows; one at the rear of the enclosure and one at the front of the enclosure.
- 4.12. Adjustable switch box mounting brackets for switch boxes.

#### **5. MARKING MATERIAL SYSTEM**

- 5.1. Two (2) 330-gallon pressurized ASME stainless steel paint tanks. One for white paint, one for yellow paint.
- 5.2. One (1) A.S.M.E. certified stainless steel 40-gallon capacity stainless steel solvent (H<sub>2</sub>O) tank.
  - 5.2.1. (4) air style quick connects in solvent system for cleaning. Two at the rear, and two on each side of unit. The side outlets will be placed accordingly. By the paint carriage and one on each side in line with the loading pumps.
- 5.3. Two (2) Stainless Steel 2" ARO diaphragm type load pumps mounted on the side of the unit, one for yellow paint and one for white paint. Load hoses with dip tubes and SST couplers and caps mounted to the pumps and stored under striper bed.
- 5.4. Two (2) hydraulically driven, SST Graco Viscount II 9 GPM high-pressure paint pumps. One each for yellow and white paint.
- 5.5. All high pressure and low-pressure paint plumbing including all fittings will have stainless steel wetted parts. The low-pressure plumbing will be 2" NPT 304 SST pipe with SST flex couplers and 2" chemical resistant hose. Heat exchanger by-pass plumbing installed in the LP system.
- 5.6. The high-pressure paint hoses will be 3/4" i.d. to the paint filter on carriage and 1/2" i.d. from the paint filter through the gun circuit back to tank. Teflon lined hoses and SST for compatibility with fast dry water base paints. Plumbing for paint system done in series going from the HP paint pump to HP paint filter, then into a paint gun and out going to the next paint gun, after the last paint gun in the circuit it returns to the recirculation valves.
- 5.7. Two (2) high-pressure surge chambers, one each for yellow and white paint.
- 5.8. Electrically controlled paint re-circulation system with high-pressure SST re-circ valves with circulation orifice for yellow and white paint.
- 5.9. Two (2) high-pressure SST paint filters. on the Centerline carriage, (1) filter for yellow mounted on the centerline carriage and (1) one the white carriage.
- 5.10. Two (2) low-pressure SST paint filter assemblies with removable SST filter elements.

5.11. Solvent (H2O) plumbing to enable flushing the high-pressure paint system and paint hoses to the spray guns. Two (2) solvent valves installed just before the HP pump with an isolation valve just upstream of the solvent valve (1) on the yellow and (1) white paint system. Two (2) solvent valves installed at the HP paint filters, (1) on the EL carriage and (1) on the CL carriage High Pressure filters.

5.12. Two (2) outlets with SST ball valves provided, one at each corner of the unit to enable paint supply for a handgun.

## 6. MARKING MATERIAL HEAT SYSTEM

6.1. A thermostatically controlled paint heating system will be installed on the unit. System to include: "slave heat" drawn off the air compressor diesel engine, one 6" diameter x 36" long heat exchanger for glycol, glycol circulation pump, two (2) 8" diameter by 36" long, 2 pass, insulated heat exchangers with stainless steel 3/8" diameter tubes, stainless steel endplates and bonnets, one each for white and yellow paint. Controls mounted in the rear control console.  
\*Heat exchanger by-pass plumbing installed.

## 7. CENTERLINE GUN CARRIAGE *with reverse auto-lift feature*

7.1. -Four (4) Kamber HP50 airless spray guns with tungsten carbide tips. Three guns are dedicated yellow, and one gun is dedicated white. White gun is located ahead of gun 1 yellow.

7.2. -Four (4) 12-volt linear actuators with dust covers to raise and lower the spray guns.

7.3. -Six (6) MRL bead guns with MRL 6" adjustable fan attachments

7.3.1. -Regulated air-injection to bead gun application bills to atomize beads for an even distribution.

7.3.2. -Bead gun actuators installed, up/down + left/right on each bead gun (6) in total. The movement of the actuators will be controlled by multi-direction switches in the operators switch boxes.

7.3.3. -Two (2) MRL bead manifolds installed on the paint carriage for even bead regulation and to properly vent excess line air

7.3.4. -Cam lock fittings on all bead guns and at the carriage bead manifolds.

7.4. -Three (3) blow air nozzles directly in front of the spray guns.

7.5. -Gun tubes are threaded with a cap for airport extension tubes.

7.6. -One (1) \*additional\* adjustable dual split tire rumble strip carriage tire assembly shipped loose with the equipment.

## 8. EDGE LINE GUN CARRIAGE *with reverse auto-lift feature*

8.1. -Two (2) Kamber HP50 airless spray guns with tungsten carbide tips. The two paint guns are dedicated white and will be placed side x side.

8.2. -Two (2) 12-volt linear actuators with dust covers to raise and lower the spray guns.

8.3. -Four (4) MRL bead guns with MRL 6" adjustable fan attachments.

8.3.1. -Regulated air-injection to bead gun application bills to atomize beads for an even distribution.

8.3.2. -Bead gun actuators installed, up/down + left/right on each bead gun (4) in total. The movement of the actuators will be controlled by multi-direction switches in the operators switch boxes.

8.3.3. - Two (2) MRL bead manifolds installed on the paint carriage for even bead regulation and to properly vent excess line air

8.3.4. -Cam lock fittings on all bead guns and at the carriage bead manifolds.

8.3.5. -Two (2) blow air nozzles directly in front of the spray guns.

8.3.6. -Gun tubes are threaded with a cap for airport extension tubes.

**9. GLASS BEAD SYSTEM**

- 9.1.** One (1) 3,000 lb. capacity, A.S.M.E. certified bead tank with 3” suction inlet for glass beads.
- 9.2.** One (1) 3,000 lb. capacity A.S.M.E. certified bead tank with 3” suction inlet for glass beads.
  - 9.2.1.** (3) Viewing sight glasses installed in each bead tank to manually view load level.
- 9.3.** Ground load bead system.
  - 9.3.1.** All bead loading functions will be accessible at ground level. Tank vent, vacuum, and pressure. Venturi vacuum load system on tanks. Venturi’ air is exhausted below deck through silencing mufflers.
  - 9.3.2.** (1) 2-inch top load cam lock hose port with a butterfly valve at the top of each bead tank for top loading capabilities. Ground load air controls will be utilized to control.
- 9.4.** Butterfly style abrasive material valves installed on the bead loading inlets.
- 9.5.** Two (2) Detachable 3” diameter - 7' long bead suction hose supplied for the ground load.
- 9.6.** Two (2) Detachable 2” diameter – 20’ long bead suction hose supplied for the top load ports.
- 9.7.** Butterfly style abrasive material valves installed on the bead loading inlets.
- 9.8.** Double drop bead system
  - 9.8.1.** The left glass tank will be dedicated to the front bead guns. The right bead tank will be dedicated to the rear bead guns.
  - 9.8.2.** Weigh bars installed on each tank for the DLS system. Each tank will log independently.

**10. AIR SYSTEM**

- 10.1.** Blow air system plumbed to the gun carts. The system has on, off and auto functions.
- 10.2.** Air cooler installed on the compressed air system to cool the compressed air. The air cooler will be an independent cooler with continuous on function to cool the high-pressure air and separate moisture.
- 10.3.** Self-expelling moisture traps on main airline and bead tank supply lines.
- 10.4.** One (1) La-Man 111 dryer/extractors installed in the air plumbing to the bead tank.
- 10.5.** One (1) La-Man model 140 dryer/extractor installed in the main cooled air plumbing.
- 10.6.** One (1) Oiler installed on the main airlines to the gun carriage solenoids.
- 10.7.** (2) Two oilers installed on load diaphragm pumps, one (1) per pump.
- 10.8.** (4) Quick air couplers in the air system (2) at the rear of the equipment and (2) on side of the equipment be mid truck (1) on each side (EL-CL) to facilitate the use of air tools.
- 10.9.** (2) Quick air couplers in the air system at the rear of the truck, plumbed with cooled dried air for the removable rear element tanks.

## **11. ELECTRONICS**

### **11.1. Sonetics wireless intercom system installed**

#### **11.1.1. (3) blue tooth capable headsets (Double muff)**

11.1.1.1. One (1) hard wired mounted wireless 5 user station in the chassis cab with a remote external antenna

11.1.1.2. One (1) five user rugged carrying/charging case

### **11.2. One (1) FSC 45" amber LED safety beacon light bar with clear lens mounted on the cab and chassis.**

### **11.3. Two (2) FSC dual flashing oval LED 2 light enclosures with amber/white strobe lights mounted on the rear of the rear truck.**

### **11.4. Two (2) FS micro pulse wide angle white/amber strobes mounted to the outside of the carriage booms.**

### **11.5. Four (4) amber/green FS micro plus 3 ultra-strobe strip lights mounted to each side of the bed (CL/EL) evenly spaced on equipment**

### **11.6. Four (4) 4x6 quadra flare green/amber strobes mounted. Two on the front of the chassis cab, and two at the rear of the unit.**

### **11.7. Rear Arrow/Message board**

11.7.1. Litesys 3-line VCMS 1030-F series message board mounted to the rear of the equipment bed. The arrow board can be tilted for transport with an electric actuator.

11.7.1.1. Linear actuator installed to raise and lower the arrow board. Switch for the actuator is located in the rear operator's area along with the message board controller.

### **11.8. (1) 30" buyers work light bar on the chassis cab. Independent switch in the chassis cab.**

### **11.9. Seven (7) FSC mounted LED 1,200 lumens 12-volt flat lights for night use. Two under the rear corners of the equipment bed to illuminate the gun carriages. Two on the front side of the operators canopy to illuminate the striping bed, HP pumps, and tanks. One mounted by paint loading pumps facing forward. One mounted by ground load bead area facing forward. One light mounted on the outside of operators cab at the top rear of the cab to light the area behind the unit and tail board.**

### **11.10. Six (6) FS Scene Lights installed, (2) on adjustable posts off the air compressor housing with swing out brackets, (2) on adjustable horizontal brackets on the front of the operator's cab (2) on adjustable posts with swing out brackets mid truck.**

### **11.11. Two (2) weather resistant boxes, one per gun cart, installed on the gun carriages to house the paint and bead gun actuating solenoids.**

### **11.12. A two (2) camera High-Definition video guidance system. System includes a LCD flatscreen HD monitor with padded storage bracket, two color cameras with auto iris 18mm lenses mounted inside weather resistant housings. Skipline HDVO and video overlay on the driving monitor. MRL "self-leveling" housings and electrically actuated camera mounting brackets. Camera selection switch and crosshair generator are integral to the monitor. Monitor will have a video overlay feature to overlay functions and data on to the driving screen.**

11.12.1. Line Pilot Manual Cross Hair adjustment remote box located in the chassis cab for cross hair alignment.

### **11.13. Rear Remote removable element tank (wiring & scale heads only) for the addition of removable rear element tanks in the future. Wiring installed for (2) rear tanks with (2) scale heads terminated at the rear of the equipment bed on each side of the operator's stairway.**

### **11.14. One (1) GL3000 laser with remote control adjustment mounted to the top of the chassis cab. Remote adjustment will be easily accessible in the chassis cab by the driver.**

### **11.15. Two (2) GL1000 fixed mounted lasers, one (1) on each paint carriage for line up and datum point.**

### **11.16. Rear view camera system. System will include (3) cameras. One at the rear of the equipment for back up, and one above each paint carriage. The 7" monitor will be placed in the chassis cab.**

**12. SKIPLINE GLASS COCKPIT, TIMER AND DATA LOGGING SYSTEM**

**12.1.** Adjustable electronic Skipline SC-12 serial communication timing system. The serial communication timing system consists of two switchboxes located at the rear operator's stations and "driver" boxes mounted in the gun carriages solenoid boxes. Each switchbox has individual control of skip cycles, footage counters, gallon counters, digital speedometers, bead lead/lag controls, bead gun test functions etc. The single LCD display in each switchbox serves display functions for these features. Switchboxes will be fully interchangeable and enable simultaneous application of different skip cycles. System to have metric conversion capability. A digital speedometer will be mounted in the chassis cab. A cable for the left side switchbox installed in the chassis cab to enable movement of the box to facilitate "one-man" operation of the unit.

12.1.1. Three-way counter channel switch (4-6-8)

**12.2.** Four (4) Skipline touchscreen monitors (2) in the chassis cab and (2) at the rear operator's area). The chassis cab guidance monitor will mount on a suction cup to the front window, the data logging monitor will be mounted on a ram mount. The rear operators monitors will be mounted in the rear enclosure on ram mounts.

**12.3.** Video overlay system for the cab mounted monitor. 6 fields of information can be displayed on the monitor.

**12.4.** Contains controls and displays for all air pressure regulators and gauges to bead tanks pressures, white and yellow pump pressures, the solvent tank pressure and the air-injection pressure to the beaders.

**12.5.** Contains controls for all lighting function with the exception of systems utilizing manufacturer's controls. (arrow board and truck lights)

**12.6.** Contains controls for the skipline monitoring system.

**12.7.** Contains controls and displays for hydraulic, material and heat systems.

**12.8.** The Skipline touchscreen monitors will display gallons used per color, footage applied, various patterns striped, distance traveled, mils applied, material temperature, road surface temperature and ambient temperature.

**12.9.** Paint usage is high-pressure pump stroke based.

**12.10.** Glass bead usage is weight based, weigh bars installed on each bead tank.

**13. ADDITIONAL EQUIPMENT**

**13.1.** One (1) water cooler mounted to the deck of the striper.

**13.2.** First aid kit.

**13.3.** Warning triangle kit.

**13.4.** Two (2) mounted fire extinguishers.

**13.5.** Aluminum fenders with mudflaps installed over the rear chassis tires and wheels.

**13.6.** Two (2) aluminum 5 drawer lockable tool boxes installed on the rear of the unit.

**13.7.** Reflective conspicuity tape installed around the equipment bed and rear tailboard.

**13.8.** (3) airport extension tubes supplied for thread gun tubes. 3 feet in length-customer to cut to desired length.

**13.9.** (1) Boss 50hr service kit supplied for the air compressor.

**13.10.** Signal Clearing Siren mounted on chassis cab. Controller mounted inside the chassis cab.

13.10.1. Siren controller – FS MS4000u

13.10.2. Speaker FS ES100c

**14. Delivery Of Striping Equipment**

**14.1.** MRL Equipment will deliver the paint striping unit to the Deschutes County's Oregon facility.

**MRL BUY BOARD CONTRACT NUMBER: 685-22**

**TERMS OF PAYMENT:** The purchase price of this piece or item of equipment is Six Hundred Eight Thousand, Eight Hundred Fifty USD (\$608,850.00) with the 3% Buy Board discount program applied. The balance is due via cashier's check or wire transfer of funds. All applicable state and local sales taxes will be assessed on the MRL balance due invoice.

**WITNESS WHEREOF**, the parties have executed this Purchase Agreement the day and year written below.

\*\*\*Quote Is Valid For 30 Days\*\*\*

**MARK RITE LINES EQUIPMENT CO., INC.**

**DESCHUTES COUNTY OREGON**

Company

Company

Signed

Signed

Title

Title

Date

Date

STATE OF MONTANA)  
 ) ss.  
County of Yellowstone)

On this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, before me personally appeared known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that executed the same.

\_\_\_\_\_

**NOTARY PUBLIC** for the State of Montana.  
Residing at Billings.  
My Commission Expires \_\_\_\_\_

STATE OF \_\_\_\_\_)  
 ) ss.  
County of \_\_\_\_\_)

On this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_, before me personally appeared known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that executed the same.

\_\_\_\_\_

**NOTARY PUBLIC** for the State of \_\_\_\_\_  
Residing at \_\_\_\_\_  
My Commission Expires \_\_\_\_\_

## MRL TERMS AND CONDITIONS OF SALE

**CUSTOMER AND MRL EQUIPMENT COMPANY, INC. (THE "SELLER"), AGREE THAT SALES OF SELLER'S PRODUCTS (THE "PRODUCTS") ARE MADE ONLY UNDER THESE TERMS AND CONDITIONS, AND THAT SELLER SHALL NOT BE BOUND BY CUSTOMER'S ADDITIONAL OR DIFFERENT TERMS. ACCEPTANCE OF CUSTOMER'S ORDER IS CONDITIONED ON CUSTOMER'S ACCEPTANCE OF THESE TERMS. CUSTOMER SHALL INDICATE ITS AGREEMENT TO BE BOUND BY THESE TERMS BY WRITTEN ACKNOWLEDGEMENT, BY IMPLICATION, OR BY ACCEPTANCE OF DELIVERY OF THE PRODUCTS.**

Seller reserves the right to increase the quoted order price set forth in this order acknowledgement at any time before delivery to Buyer to reflect any increase in Seller's costs to manufacture or deliver the ordered product due to any factor beyond the reasonable control of Seller. Seller shall provide Buyer with prompt electronic notice of any such price increase. Buyer shall have five days from receipt of such notice to cancel its order, absent which Buyer shall be deemed to have consented to the price increase.

### **NOTICE TO SELLER'S DEALERS AND DISTRIBUTORS:**

IF THE CUSTOMER IS A PARTY TO AN AGREEMENT THAT INCLUDES TERMS AND CONDITIONS OF SALE THAT WOULD NORMALLY APPLY TO THE TRANSACTION UNDER WHICH THESE TERMS AND CONDITIONS WERE ISSUED, THEN THESE TERMS AND CONDITIONS SHALL NOT MODIFY, SUPERSEDE OR OTHERWISE AFFECT SUCH DEALER OR DISTRIBUTOR AGREEMENT AND THE TERMS AND CONDITIONS OF SALE INCLUDED WITH SUCH AGREEMENT SHALL CONTROL.

#### **1. Title and Risk of Loss.**

A. If the Products are subject to state vehicle title laws, title and risk of loss or damage will pass to Customer on the first of the following to occur: (i) delivery of the Products to Customer; (ii) delivery of the Products to Customer's authorized agent; or (iii) delivery of the Products to any common carrier for shipment. The manufacturer's statement of origin ("MSO") shall be delivered from Seller to Customer upon Seller's receipt of payment in full.

B. If the Products are not subject to a state vehicle title law, title and risk of loss or damage will pass to Customer on the first to occur of the following: (i) delivery of the Products to Customer; (ii) delivery of the Products to Customer's authorized agent; or (iii) delivery of the Products to any common carrier for shipment.

2. **Taxes.** Product prices are exclusive of, and Customer shall pay, applicable sales, use, service, value added or like taxes, unless Customer has provided Seller with an appropriate exemption certificate for the delivery destination acceptable to the applicable taxing authorities.

3. **Prices and Payment.** All quotations shall expire thirty (30) days from date of issuance, unless otherwise set forth on the quotation or agreed in writing. Quoted prices include packing and packaging. Customer shall make payment in full prior to or upon delivery by cashier's check, or ACH transfer, unless Seller approves Customer for credit terms. If Seller approves Customer's credit application, payment shall be due no later than 30 days from the date of Seller's invoice. All sums not paid when due shall accrue interest daily at the lesser of a monthly rate of 1.0% or the highest rate permissible by law on the unpaid balance until paid in full. Unless otherwise agreed in writing by Seller, payments shall be made in U.S. Dollars. In the event of any order for several units, each unit(s) will be invoiced when shipped.

4. **Orders.** All orders are subject to acceptance by Seller, which shall be indicated in writing.

5. **Delivery.** Seller shall deliver the Products F.O.B. Seller factory and, if the Products are sold to a Customer outside the United States, shall clear the Products for export destined outside the United States. Customer shall pay all freight charges, applicable import duties, and other necessary fees and shall bear the risks of carrying out customs formalities and clearance. Orders are entered as close as possible to the Customer's requested shipment date, if any. Shipment dates are scheduled after acceptance of orders and receipt of necessary documents. Claims for shipment shortage shall be deemed waived unless presented to Seller in writing within forty-five (45) days of shipment.

6. **Non-Conforming Delivery.** Customer shall notify Seller of any visible defects, quantity shortages or incorrect product shipments in writing within five (5) working days of receipt by Customer. Failure to notify Seller within such time period shall be deemed an unqualified waiver of Customer's right to subsequently raise such objections.

#### **7. Limited Warranty.**

IF THE PRODUCTS PURCHASED ARE SOLD PURSUANT TO A WARRANTY POLICY SPECIFIC TO SUCH PRODUCTS, THEN THE POLICY SET FORTH IN SECTIONS 7-8 SHALL NOT BE EFFECTIVE AS TO SUCH PRODUCTS AND THE SPECIFIC WARRANTY POLICY SHALL CONTROL.

Subject to the foregoing paragraph, Seller's Products are warranted against defects in material and workmanship and shall conform to Seller's published specifications or other specifications accepted in writing by Seller for one year from the date Seller ships the Products to Customer ("Delivery Date").

8. **Customer Remedies.** Seller's sole obligation (and Customer's sole remedy) with respect to the foregoing Limited Warranty shall be to, at its option, return the fees paid or repair/replace any defective Products, provided that the Seller receives written notice of such defects during the applicable warranty period. Customer may not bring an action to enforce its remedies under the foregoing Limited Warranty more than one (1) year after the accrual of such cause of action.

9. **Return/Cancellation/Change Policy.** Customer may return unwanted parts Products within thirty (30) days of the Delivery Date, provided such Products are in new, unused and undamaged condition and are resalable as new products without modification or repackaging. Customer shall pay a fifteen percent (15%) restocking charge on any unwanted Products returned to Seller. No returns will be accepted after the thirty (30) day period has expired. Where custom Products or services are involved, Customer shall be responsible for all related work in progress; however, Seller shall take reasonable steps to mitigate damages immediately upon receipt of a written cancellation notice from Customer. A Return-Material Authorization number must be obtained from Seller for return of any Products. Seller may terminate any order if representative made by Customer to Seller are false or misleading. Changes to orders shall not be binding upon nor be put into effect by Seller unless confirmed in writing by Seller's appropriate representative.

10. **NO OTHER WARRANTIES.** EXCEPT AS EXPRESSLY SET FORTH ABOVE, THE PRODUCTS ARE PROVIDED "AS IS" WITHOUT WARRANTY OF ANY KIND, AND NO OTHER WARRANTIES, EITHER EXPRESS OR IMPLIED ARE MADE WITH RESPECT TO THE PRODUCTS, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE OR NON-INFRINGEMENT OR ANY OTHER WARRANTIES THAT MAY ARISE FROM USAGE OF TRADE OR COURSE OF DEALING. SELLER DOES NOT WARRANT, GUARANTEE, OR MAKE ANY REPRESENTATIONS REGARDING THE USE OF OR THE RESULTS OF THE USE OF THE PRODUCTS IN TERMS OF CORRECTNESS, ACCURACY, RELIABILITY, OR OTHERWISE. SELLER EXPRESSLY DISCLAIMS ANY WARRANTIES NOT STATED HEREIN.

11. **No Liability for Consequential Damages.** The entire liability of Seller and its licensors, distributors, and suppliers (including its and their directors, officers, employees, and agents) is set forth above. To the maximum extent permitted by applicable law, in no event shall Seller and its licensors, distributors, and suppliers (including its and their directors, officers, employees, and agents) be liable for any damages, including, but not limited to, any special, direct, indirect, incidental exemplary, or consequential damages, expenses, lost profits, lost savings, business interrupting, lost business information, or any other damages arising out of the use or inability to use the Products, even if Seller or its licensors, distributors, and suppliers has been advised of the possibility of such damages. Customer acknowledges that the applicable purchase price or license fee for the Products reflects this allocation of risk. Because some states/jurisdictions do not allow the exclusion or limitation of liability for consequential or incidental damages, the above limitation may not apply. If the foregoing limitation of liability is not enforceable because an Seller product sold or licensed to Customer is determined by a court of competent jurisdiction in a final, non-appealable judgement to be defective and to have directly caused bodily injury, death, or property damage, in no event shall Seller's liability for property damage exceed the greater of \$50,000 or fees paid for the specific product that caused such damage.

12. **Force Majeure.** Seller shall be excused for any delay or failure to perform due to any cause beyond its reasonable control, including but not limited to acts of governments, natural catastrophes, acts of Customer, interruptions of transportation or inability to obtain necessary labor or materials. Seller's estimated shipping schedule shall be extended by a period of time equal to the time lost because of any excusable delay. In the event Seller is unable to perform in whole or in part because of any excusable failure to perform, Seller may cancel orders without liability to Customer.

13. **Limited Indemnity Against Infringement.** Seller, shall, at its own expense, defend any litigation resulting from sales of the Products to the extent that such litigation alleges that the Products or any part thereof infringes any United States patent, copyright, or trademark, provided that such claim does not arise from the use of the Products in combination with equipment or devices not made by Seller or from modification of the Products, and further provided that Customer notifies Seller immediately upon its obtaining notice of such impending claim and cooperates fully with Seller in preparing a defense. If Customer provides to Seller the authority, assistance, and information Seller needs to defend or settle such claim, Seller shall pay any final award of damages in such suit and any expense Customer incurs at Seller's written request, but Seller shall not be liable for a settlement made without its prior written consent. If the Products are held to be infringing and the use thereof is enjoined, Seller shall, at its option, either (i) procure for the Customer the right to use the Products, (ii) replace the Products with others which do not constitute infringement, or (iii) remove the infringing Products and refund the payment(s) made therefor by Customer. The foregoing states the Customer's sole remedy for, and Seller's entire liability and responsibility for, infringement of any patent, trademark, or copyright relating to the Products provided hereunder. THIS LIMITED INDEMNITY IS IN LIEU OF ANY OTHER STATUTORY OR IMPLIED WARRANTY AGAINST INFRINGEMENT.

14. **Acknowledgment/Governing Law.** Customer acknowledges reading these Terms and Condition, understands them and agrees to be bound by them. A waiver of any provision of this agreement shall not be construed as a waiver or modification of any other term hereof. With respect to all orders accepted by Seller in the United States, disputes arising in connection with these Terms and Conditions of Sale shall be governed by the laws of the State in which Seller's factory is located without regard to principles of conflicts of laws. With respect to all orders accepted by Seller outside the United States, disputes arising in connection with these Terms and Conditions of Sale shall be governed by the laws of the country and locality in which Seller accepts the order without regard to principles of conflicts of laws.

15. **Intellectual Property Rights.** All drawings, data, designs, tooling, equipment, procedures, engineering changes, inventions, trade secrets, copyrights, mask works, source code, object code, patents, patent applications, know-how, computer and/or Product software and all parts thereof, trademarks and all other information, technical or otherwise which was developed, made or supplied by or for Seller in the production of any Product sold hereunder will be and remain the sole property of Seller (or its licensors, if any). Customer agrees not to reverse engineer any Products purchased hereunder.

16. **Export Regulations.** Customer agrees to comply fully with all laws and regulations concerning the export of Products for the United States.

17. **Assignment and Subcontracting.** Seller may assign its rights and obligations by giving Customer written notice thereof but without being obligated to obtain Customer's consent prior thereto. In the event if an assignment, Seller shall be discharged of any liability pursuant to those purchases orders which have been assigned or delegated.

Customer may not assign its rights nor delegate its obligations under any or all of its purchase orders unless Seller's written consent is obtained prior thereto and any such assignment or delegation without such consent shall be void.

18. **Waiver.** No waiver will be valid unless in writing, signed by an authorized representative of Seller and no waiver granted will release Customer from subsequent strict compliance herewith.

19. **Severability: Headings.** Any provision hereunder found to be legally enforceable shall be deemed deleted and replaced with a legally enforceable provision having the closest possible intent. All other provisions shall remain in full force and effect. Headings and subheadings are for convenience only and shall not be construed to limit the applicability of individual provisions or subprovisions.