

TERMS, CONDITIONS, AND WARRANTY:**Prices and Terms -**

Prices are f.o.b. point of shipment unless otherwise specified. Terms are 50% with order; 50% prior to shipment. All applicable taxes are to be paid by the Purchaser. Any unpaid invoice amounts will be subject to carrying charges of 1-1/2% per month. Purchaser hereby grants to Inline Filling Systems a security interest in any and all equipment sold of which such security interest shall continue until all charges for the equipment are paid in full. Purchaser agrees that Inline Filling Systems may execute and file UCC-1 forms with or without the purchaser's signature in order to perfect such security interest. In event of failure to make payment, cost of collection including attorneys fees will be the responsibility of the Purchaser. Quoted prices are valid for 30 days from the date of this quotation.

Shipment -

Every effort will be made to meet any shipping dates in this proposal but such dates are not guaranteed and are subject to delays due to causes beyond the Seller's control. Where shipment is deferred at the Purchaser's request beyond the date of completion, the order will be subject to invoicing, payment, and storage charges from the date of completion.

Installation & Training -

Unless otherwise specifically provided, the Purchaser has full responsibility for the installation and the initial starting up of the equipment and Seller shall not be responsible for any damages to the equipment or any consequential damages by reason thereof. Installation and training by Inline Filling Systems can be provided at additional cost and is strongly recommended for successful installation. Training is provided at no charge at our Venice, Florida test facility. On site training is available at the service and installation rates indicated in our Service Rate Sheet.

All travel and out of pocket expenses including but not limited to auto, parking, airfare, meals etc. shall be billed at cost only. In the event that training and installation is scheduled or is part of this quotation, it is the Purchaser's responsibility to uncrate and rig into place all machinery as outlined on the approved plot plan. The purchaser must also provide all air and electrical services to the equipment as outlined in the installation plot plan prior to the arrival of Inline's technician. It is the purchaser's responsibility to identify and define physical access to the installation area i.e. door openings, etc. It is the purchaser's responsibility to provide willing and able personnel on site to assist in installation if being provided by Inline Filling Systems. Any delays and additional costs caused by the purchaser's failure to provide the above will be billed in accordance with the rates above.

Third Party Equipment -

Unless specifically supplied in this quotation, Inline Filling Systems is not responsible for installation, performance, or warranty issues of third party equipment. All additional costs and delays caused by third party equipment is the responsibility of the purchaser. Inline Filling Systems only offers third party equipment from reliable and responsible vendors who have similar terms and performance duties to Inline Filling Systems. Copies of these vendors' terms and conditions are available for review.

Bulk Product Supply -

Unless specifically supplied by Inline in this quotation, the purchaser is responsible for product feed and supply system(s) to work in conjunction with all filling equipment. The purchaser is responsible for supplying any filler reservoir with product at a rate greater than or equal to 125% of the filler's output. Unless specifically supplied in this quotation, the purchaser is responsible for level control of the product reservoir in order to guarantee filling accuracy.

Machinery Performance Guarantee -

Inline Filling Systems tests and guarantees all equipment to performance levels indicated on the customer's Application Data Form. If no specific product performance data is indicated by the purchaser or if the purchaser fails to acknowledge this data sheet, the purchaser agrees to waive any specific performance guarantees or any guarantees of fitness of the machinery for any particular application. Inline Filling Systems will only guarantee performance for those products and containers that have been specifically tested by our applications engineers. The purchaser must provide Material Safety Data Sheets for any potentially hazardous material submitted for testing. Inline Filling Systems is not responsible for failure to test any potentially hazardous material with no accompanying Material Safety Data Sheet.

QTY**DESCRIPTION****PRICE**

In order to provide a specific Application Data Form, the purchaser must provide specific product, container, cap, and/or label samples for evaluation by Inline Filling Systems, Inc. Inline is not responsible for design misapplication of the equipment due to the failure of the Purchaser to provide adequate samples. In the case of filling machinery purchased for the purpose of filling to a specific level in the container, the purchaser must define the cosmetic fill height of the liquid in each container in terms of distance from the top of the container. Any modifications to the machinery that are required in the field due to the failure to provide correct samples and information above shall be at the expense of the Purchaser.

Inline Filling Systems is not responsible for performance failures due to manufacturing variances of the purchaser's cap and containers. The customer is responsible for using caps and containers that are substantially the same as the production samples tested by Inline Filling Systems as described above.

Inline Filling Systems reserves the right to change machine designs, components and specifications at its sole discretion in order to meet the performance objectives of a project.

Modifications -

The machinery and specifications expressly offered in this proposal comprise the entirety of what is offered for sale. Any subsequent additions or modifications to this proposal by the customer must be expressly noted on the invoice if they are to be included in the proposal. If the modification is not included in the sale documentation or invoice, it is not a part of the project and Inline Filling Systems shall bear no responsibility for its omission in the construction of any machinery.

Adequate Production Test Samples -

Sufficient quantities of production samples for each product container and/or cap must be supplied by the purchaser so that testing may be accomplished. Failure of the customer to provide adequate test samples prior to shipment will void any performance guarantees as outlined above.

Safety Requirements -

Purchase of optional machine guarding and interlocked enclosures is strongly recommended. If the purchaser declines to purchase these options, the purchaser agrees to indemnify Inline Filling Systems from all liabilities and suits that may arise from the Purchaser's use of this equipment.

Title -

The Seller retains title to this equipment until full payment is made and the Purchaser agrees to protect the Seller's interest by maintaining full insurance thereon.

Approval -

This Proposal is not binding upon Seller until approved by an official of Inline Filling Systems, Inc.

Cancellation -

Following acceptance Purchaser may not cancel except upon payment of cancellation and restocking charges to be determined by the Seller. Cancellation charges beyond 30 days of order acceptance may be the purchaser's deposit.

Confidential -

Technical data and layouts supplied by Inline Filling Systems, Inc. in connection herewith are confidential pending Purchaser's acceptance of this Proposal.

Warranty -

Inline Filling Systems, Inc. warrants that all components fabricated by IFS shall be free of defective material and workmanship for a period of five years. Inline Filling Systems, Inc. additionally warrants that all other components used in the assembly of IFS equipment that is fabricated by others shall be free of defects for the greater of one year or the original manufacturer's warranty. Third party equipment and machinery sold by but not manufactured by Inline Filling Systems, Inc. is subject to the original manufacturer's prevailing warranty, terms and conditions.

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Purchaser expressly agrees that the remedies provided herein are exclusive and that Inline Filling Systems, Inc. will not under any circumstances be liable for loss of profits or revenue, increased costs of any kind, cost of other OEM replacement parts and other consequential and/or incidental damages or expenses. Inline Filling Systems, Inc. warrants solely that equipment of its own manufacture will conform to contract specifications and be free from defects in workmanship. This warranty extends only to the original end user and is limited to repair or replacement in the manner and during the period provided herein which shall constitute fulfillment of all liabilities of Inline Filling Systems, Inc. to Purchaser. Any original part or component manufactured by Inline Filling Systems, Inc. which is found by Inline Filling Systems, Inc. to be defective at the time of shipment will be repaired, replaced or modified by Inline Filling Systems, Inc. provided that a written claim has been received from the Purchaser within one year of shipment and such original part or component is returned. This warranty does not apply to normal wear parts. Purchaser is expected to provide labor for minor warranty repairs and replacements; Inline Filling Systems agrees to provide labor for major warranty repair issues only. Travel related expenses are the responsibility of the purchaser in all cases.

The above warranties are exclusive and are in lieu of all warranties of merchantability, fitness for purpose or other warranties or guarantees of any kind or description, expressed or implied. There are no warranties which extend beyond the warranties in the preceding paragraph. Inline Filling Systems, Inc. will have no responsibility for any failure to meet any warranty caused by the failure of Purchaser or its agents to store, install, operate, inspect or maintain the equipment covered by this contract in accordance with the recommendations of Inline Filling Systems, Inc. or, in the absence of such recommendations, in accordance with the generally accepted practices. Purchaser expressly agrees that, notwithstanding any other provision of this contract, under no circumstances shall Inline Filling Systems, Inc.'s total aggregate liability resulting from the breach of Inline Filling Systems, Inc.'s obligation herein, or otherwise, exceed the price of the product on which such liability is based.

Acceptance -

Customer has 30 DAYS from arrival at the installation site for trial production and evaluation. If within that period the machinery does not operate to our expressed written specifications, in our presence with materials substantially identical to those supplied, you may reject the machinery. If we are unable to make corrections to your satisfaction, the machinery is to be returned to our plant prepaid, in good condition and all payments made will be returned promptly.

APPROVAL SIGNATURE

DATE