Kelly-Creswell a division of Ernest Industries, Inc.

TERMS:

Portable, intermediate and truck mounted stripers: 50% with order – 50% at time of shipment.

Replacement Parts: With approved credit, NET 30 days, otherwise, COD.

*Truck mounted stripers including a chassis as part of the total purchase price; chassis must be paid 100% plus the cost of any chassis modifications with initial order, unless otherwise noted on the quotation.

Standard Terms and Conditions are included as an integral part of the quotation.

DELIVERY:

Delivery times are noted on the quotation and are best estimates.

All prices are in U.S. Dollars

All prices are FOB Springfield, Ohio, USA, unless otherwise noted. Unless otherwise instructed, shipping and packaging charges will be added to each order.

This quotation will remain in effect for 60 Days.

12-MONTH LIMITED WARRANTY

All Kelly-Creswell equipment is covered by our 12-Month Limited Warranty, as defined in the attached Standard Terms and Conditions. Under certain circumstances, we may recommend that a Kelly-Creswell technician be present for startup and training, and this will be communicated at the time of quotation.

STARTUP ASSISTANCE

The startup and operation of Kelly-Creswell equipment is very straightforward and can be accomplished by most persons with basic striping experience. Prior to delivery, Kelly-Creswell will provide startup training at no charge at our plant in Springfield, Ohio. Kelly-Creswell technical representatives are also available for telephone assistance for startup at no charge. If however, you would prefer that a Kelly-Creswell representative be present for the startup of equipment to train operating personnel, these services are available at the rates listed below, plus mileage and reasonable living expenses to and from Springfield, OH, USA. Please see the attached Standard Terms and Conditions for further details. At the purchaser's written request or as outlined in the purchaser's specifications, costs for startup assistance can be included in the quotation.

Kelly-Creswell Standard Terms and Conditions of Sale

The following are the terms and conditions under which Kelly-Creswell a division of Ernest Industries Inc. ("Seller") sells and licenses its products:

- 1. Offer and Acceptance. If any general or specific conditions, including information and statements made in the quotation conflict with any terms or provisions in the purchaser's documents, the terms of this quotation shall govern unless seller expressly agrees to the contrary in writing. Seller reserves the right to change the terms of this quotation or to revoke this offer at any time prior to acceptance. Any agreements, including those with our agents or sales representatives, become valid only after written confirmation by seller. All typographical errors are subject to correction.
- <u>2.</u> <u>Taxes, Licensing, or Delivery Charges.</u> Prices are exclusive of all sales tax, use tax and like taxes, or any tax seller may be required to collect or pay upon the sale. Licensing or delivery of the products shall be paid by purchaser to seller.
- 3. Delivery, Security Interest, Delays. Shipment will be F.O.B. Seller's plant. Purchaser assumes all risk of loss upon delivery of the products by seller to the carrier. In the absence of instructions to the contrary, seller on behalf of purchaser will select the carrier but shall nor be deemed thereby to assume any liability in connection with the shipment nor shall costs be collect. Seller shall have no obligation to obtain insurance coverage of any kind. Purchaser will be responsible for all storage, rigging and other charges at purchaser's site. Purchaser hereby grants seller a security interest in the product shipped hereunder. Upon

request by Seller, Purchaser shall execute any instrument required to perfect such security interest. Any delivery date stated is Seller's best estimate. Seller makes no guarantee of delivery by such date and shall have no liability or other obligation for failure to ship on such date regardless of cause unless expressly stated otherwise herein. Time is not of the essence. Seller shall not be held liable for any delays in estimated conditions beyond seller's reasonable control, including but not limited to inability to obtain material, transportation, strikes, lockout, labor disputes, acts of God, riot, war, embargo, restraints or demands of any government of any other cause beyond seller's control. Delivery of equipment or materials to a carrier at shipping point shall constitute delivery thereof by the seller to the purchaser.

4. Payment.

Domestic terms:

- Portable, intermediate and truck mounted stripers: 50% with order 50% at time of shipment.
- Replacement Parts: With approved credit, NET 30 days, otherwise, COD.
- Truck mounted stripers including a chassis as part of the total purchase price; chassis must be paid 100% plus the cost of any chassis modifications with initial order, unless otherwise noted on the quotation.
- Municipal agencies receive net 30 terms with a written purchase order.
- Terms as defined on quotation apply.

International terms:

- Portable, intermediate and truck mounted stripers: 50% with order 50% at time of shipment.
- Replacement Parts: COD.
- Truck mounted stripers including a chassis as part of the total purchase price; chassis must be paid 100% plus the cost of any chassis modifications with initial order, unless otherwise noted on the quotation.
- Letters of Credit are subject to a one-time fee of \$500 in addition to the total of the order to cover all processing fees.

Any applicable taxes or fees, imposed by any effective law must be paid by the purchaser in addition to the prices quoted.

Interest Charges: Purchaser will be notified when equipment is ready for shipment and final payment is due. Interest at a rate of prime rate plus 2% will be charged on all accounts after 14 days of non payment.

5. Installation. Installation of products sold hereunder shall not be the responsibility of seller unless purchaser agrees, in writing, to pay for such installation and it is incorporated as part of the purchase order and accepted by seller. Purchaser shall furnish all labor required for unpacking and placement of the products.

Notwithstanding the foregoing, seller shall be under no obligation to install the products (i) unless the products and installation site are prepared in accordance with seller's instructions (ii) unless purchaser makes available all prerequisite products (as specified in the applicable price list or product specifications), or (iii) if the equipment had been modified without seller's prior written approval or subjected to unusual physical, electrical or electromagnetic stress, accident, neglect, misuse or other damage beyond the control of Seller.

Notwithstanding the above, Seller does not accept any responsibility to connect seller equipment to non-seller equipment. However, should seller, as a convenience to the purchaser, connect such equipment, it does so only on the condition that it has no liability for any damage which may result and no liability for any subsequent malfunction of the equipment.

6. Acceptance of Products. Acceptance shall occur upon delivery, unless Seller is notifies in writing within thirty (30) days from receipt of the Products by Purchaser that the products do not conform to seller's product specifications. Seller's sole responsibility is for repair or replacement, purchaser's responsibility to return, at its expense, the alleged non-conforming products to seller.

7. Warranty.

1. Products, except as stated otherwise in an applicable price list or written quotation by seller, are warranted against defects in workmanship and material for a period of one year from date of delivery to the original purchaser. This warranty does not include normal wear and tear items such as gaskets spray tips, paint hoses, bead hoses, wheels & tires. In the event the products

comprise, wholly or in part, products produced by a party other than the seller, the seller shall pass through to the purchaser such warranties as the product manufacturer has made to seller to the extent transferable, and seller makes no additional warranties with respect to the products.

- 2. Truck chassis, all truck chassis either new or used are not covered by Kelly-Creswell warranty. All used chassis purchased in combination with a truck mounted striper attached are sold "AS IS" no warranties expressed or implied. Modifications to chassis, either performed by Kelly-Creswell or an outside vendor, to meet requirements for installation of a truck mounted striper are not covered by our warranty and are considered part of the chassis, purchased "AS IS" no warranties expressed or implied.
- 3. Seller's sole responsibility under this warranty shall be to either repair or replace, at its option, any component which fails during the applicable warranty period because of a defect in workmanship or material, provided (1)purchaser has reported defect to seller in timely manner. (2) new component shipped to purchaser under standard terms of sale, i.e., net 30 or COD. (3) at the sellers request the defective part returned to seller for evaluation upon request at the purchasers expense at which shall become the property of the seller. Kelly-Creswell reserves the right to review the failed part(s) to warrantability. (4) Warranty work will be performed with parts provided by Kelly-Creswell only, unless arrangement is made and agreement reached prior to the repairs. (5) all warranty work must be preauthorized by Kelly-Creswell.
- 4. The above warranties are contingent upon proper use of the products. This warranty shall not apply if: (1) product is not owned by the original purchaser. (2) Any part of the product which has been repaired or altered outside of any repair facility authorized by seller, which in any way, in the judgment of seller affected adversely its normal or intended use. (3) Operation of the product with improper load or materials. (4) Damage incurred due to improper installation and/or use of the product. (5) The serial number plate is missing from the product or machine using the product. (6) Adjustment, repair or parts replacement is required because of accident, unusual physical, neglect, misuse, failure to properly lubricate and clean the unit, transportation, failure to maintain in accordance with seller's specifications or alteration of any kind.
- 5. Limitations of liability: Kelly-Creswell shall not be liable for any incidental, consequential, punitive or special damages of any kind, including, but not limited to, consequential labor costs or transportation charges in connection with the repair or replacement of defective parts, or lost time or lost profits or expense which may have accrued because of said defect. Kelly-Creswell disclaims all other warranties whether express or implied, including but not limited to any implied warranty of merchantability or fitness for a particular purpose. This warranty is the exclusive remedy of buyer. This warranty cannot be extended, broadened or changed in any respect except in writing by an authorized officer of Kelly-Creswell/Ernest Industries, Inc. Notwithstanding anything in this warranty to the contrary, in no event shall Kelly-Creswell/Ernest Industries, Inc. total liability hereunder exceed the purchased price of the particular product.
- **8. Equipment changes**. Seller, in an effort to continually improve the design of its products, reserves the right to make changes in the specifications and designs of its products, and, if necessary, to substitute equipment of substantially similar quality which may vary from seller's specifications.
- **9. Export.** Regardless of and disclosure made by purchaser to seller of an ultimate destination of the products, purchaser will not export, either directly or indirectly, any product or system incorporating such product without first obtaining a license from the U.S. Department of Commerce of any other agency or department of the United States Government, as required by law.
- 10. Cancellation and Reschedule Charges. In the event the Purchaser (i) cancels any order or portion thereof, or (ii) fails to meet any obligation hereunder, causing cancellation or rescheduling of any order or portion thereof, or (iii) requests a rescheduling of schedule equipment and such request is accepted by seller, purchaser agrees to pay to seller cancellation/reschedule charges as a percentage of the quoted price of the canceled or reschedules equipment. Those charges having been agreed upon, not as a penalty, but as a result of difficulty of computing actual costs. Charges are as follows:

CHARGE	CANCELLATION/RESCHEDULE NOTICE RECEIVED
25%*	61-90 days prior to scheduled delivery month
50%*	31-60 days prior to scheduled delivery month
75%*	30 days or fewer priors to scheduled delivery month

90%* during scheduled delivery month

Refunds for chassis purchased from outside vendors; truck dealers or individuals are not subject or our cancellation/return schedule. Cancellations will need to be addressed with vendors, truck dealers or individuals. Modifications performed to truck chassis to facilitate the installation of the striping equipment are not subject to a cancellation/return schedule and the full amount is due and payable regardless the status of the order.

Purchaser may not cancel or reschedule any order or portion thereof after shipment from Seller's plant or, in the case of orders shipped directly from the manufacturer, shipment from the manufacturer's plant.

If purchaser's financial condition does not, in the seller's judgment, warrant the commencement or continuation of product or shipment of the goods ordered, Seller shall be entitled to a change in terms of payment or other adequate security advance, as a condition to such commencement, continuation or shipment. If Purchaser does not comply with such terms, Seller may cancel the contract and shall be entitles to receive cancellation charges as outlined above.

11. General Provisions. A contract will become binding only when a written acceptance of purchaser's order is sent to purchaser by seller. This contract is governed by the laws of Ohio and any dispute in regard to the terms of the contract between the parties of the product of seller shall be submitted to arbitration in Springfield, Ohio under the Rules of the American Arbitration Association. Any action by seller to enforce payment of any balances due hereunder is expressly excluded from this provision. This contract constitutes the entire agreement between the parties with respect to subject matter hereof and supercedes all proposals, oral and written, all previous negotiations and all other communications between the parties with respect to the subject matter hereof. These terms and conditions shall prevail notwithstanding any different, conflicting or additional terms and conditions that may appear on any order submitted by Purchaser. Deviations from these terms and conditions are not valid unless confirmed in writing by an authorized officer of Seller at its corporate office.

Data furnished and disclosed in conjunction with this quotation are confidential and shall not be duplicated, used or disclosed in whole or in part, for any other purpose than to evaluate this quotation. Seller will hold purchaser harmless against any patent infringement claims. The purchaser agrees not to remove or obliterate any plate, sign, engravings or writing placed on the equipment by the Seller.

Seller does not claim complete knowledge of all laws and regulations and therefore cannot guarantee or imply compliance with same and cannot indemnify purchaser for any liability imposed resulting from non-compliance.

This contract is not assignable without prior, written approval of seller and any attempt to assign any rights, duties or obligations under the contract without such approval shall be void.

All rights and remedies, whether conferred hereby or by any other instrument or law, shall be cumulative and may be exercised singularly or concurrently. Failure by either party to enforce any contract term shall not be deemed a waiver of future enforcement of that or any other term.

If any provision of the contract is held invalid under any applicable statute of rule of law, such invalidity shall not affect other provisions of this contract which can be given effect without the invalid provision and, to this end any invalid provisions of this contract are declared to be severable. Notwithstanding the above, any invalid provision or clause shall be construed, to the extent possible, in accordance with the original intent of the parties and given such effect as can be determined to be such intent.

In the event either party brings an arbitration on account of the agreement or the breach of any terms hereof or the seller commences suit for payment due hereunder, the prevailing party shall be entitles to recover reasonable attorneys fees as determined by the arbitrator or the court.

Regulatory Guidelines: All Kelly-Creswell equipment is designed to be in compliance with OSHA regulation, as that are currently understood. The equipment, however, cannot be certified for compliance unless the customer identifies, by number the specific regulation(s) for which certification is desired. Any local and state rules, codes, and regulations that differ from OSHA guidelines must be supplied to Kelly-Creswell for review.

Any orders, mandates, rules, or regulations established by the U.S. Environmental Protection Agency, and/or similar local or state agency, domestic or foreign, must be supplied to Kelly-Creswell for review.

Please Note: Any changes or modifications required to meet compliance of above may increase the pricing of this proposal.

12. Field Service Charges. For Kelly-Creswell supplied service technicians to assist customers or for startup, installation and service work, the following rate schedule shall apply:

TECHNICIAN /SUPERVISORY

Hourly rate \$75/\$110

Hourly rate for time worked over 9 hours per day and for up to 9 hours on Saturday \$100/\$150

Hourly rate for time worked over 9 hours on Saturday, and all time worked on Sunday and all recognized holidays \$150/\$210

Daily expenses per man while at site Cost + 10%

Travel expenses Cost + 10%

Mileage (if using an automobile other than rental car or taxi) \$.75 per mile

Travel time will be billed at the rate \$35.00 per hour, applies to time traveled. (Over-time, weekends, and holidays will be billed at their appropriate higher rates \$50.00 per hour)

With approved credit invoices will be for technical and supervisory work will be submitted upon completion of work and terms are Net 30 days. Otherwise, payment terms are cash in advance based on a good faith estimated. A final invoice will be generated upon completion of travel and any overages will be returned to purchaser within 30 any amount due will be invoice payable upon receipt.

All service work performed by Kelly-Creswell will be recorded on a service report form and will be filed in the equipment serial file. A copy of the service report form will be sent to the customer.

IMPORTANT NOTICE

After shipment, any electrical or design changes to this equipment without the written consent of Kelly-Creswell is prohibited and will void warranties. Any changes are subject to review in order to continue the equipment warranties and may be subject to engineering or technical charges.

PAST DUE ACCOUNTS ARE SUBJECT TO INTEREST CHARGES OF 2% PER MONTH.

13. USE OF Kelly-Creswell name and logo: Kelly-Creswell., the name "KC", are registered trademarks of Kelly-Creswell a division of Ernest Industries, Inc. Ernest Industries, Inc. must approve use of name and logo in writing.