



MTE Hydraulics, Inc.

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SALES POLICY

ALL SALES BY THE COMPANY ARE MADE SUBJECT TO THE FOLLOWING TERMS, CONDITIONS, AND SALES POLICIES. PLEASE READ.

WARRANTY - The Company warrants to the Original Purchaser that the product manufactured and shipped by the Company is free from defects in material and workmanship. This warranty shall apply only to defects appearing within 12 months from the date of shipment by the Company. At the sole discretion of the Company, the above period may be extended for qualified O.E.M. Purchasers. **THIS WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL WARRANTIES IN LAW, INCLUDING MERCHANTABILITY.** The Company obligation under this warranty is limited to repairing or replacing, F.O.B. the factory, any parts proved to have been defective when shipped. In no event shall the Company be liable for special or consequential damages. Provisions set forth in the specifications are descriptive and subject to change and are not intended as warranties. The Company does not warrant any equipment of other manufacture specified by the Purchaser. The Company does not warrant electric motors, but will attempt to secure the warranty of the motor manufacturer for the warranty period noted above.

DELIVERY AND SHIPPING - Shipping dates are approximate and are subject to delays from causes or contingencies beyond the reasonable control of the Company. When not otherwise specified, shipment will be made in standard containers via carrier which, in the judgment of the Company, will result in the most practical method. An extra charge will be made for any specified special containers. Title and right of possession will pass to the purchaser upon delivery to the carrier at the factory. If any shipment or work to be performed is delayed by the purchaser, all payments shall be due on schedule, based on expenses and commitments made.

PRICES AND PAYMENTS - All prices are F.O.B. the factory, subject to change without notice. The prices do not include any taxes imposed as a result of the sale of the merchandise. Standard terms are net 30 days. However, if in the judgment of the Company, the financial condition of the purchaser at any time does not justify production or shipment according to the standard terms of payment, the Company may require full or partial payment in advance or shall be entitled to cancel the order.

TOOL AND DIE CHARGES - The Company shall retain title to and right of possession to all special tools, dies and molds used in the fabrication of articles to Purchaser's blueprints and specifications even though Purchaser may be separately billed for such tools, dies and molds. If no orders are received from Purchaser requiring the use of such tooling, for a period of three years, the Company may consider the same obsolete and destroy any such tooling.

CANCELLATION - The Purchaser may cancel his order only upon written notice and upon payment to the Company of reasonable and proper cancellation charges, which shall take into account expenses already incurred, quantity discounts extended for quantities not used, unique parts used only on the items cancelled, and commitments made by the Company. The Company may cancel any order due to lack of prompt payment, changes in delivery schedule, changes in quantity, or availability of special materials.