



183 GEM PARKS RD. BONNERS FERRY, ID 83805

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INVOICE # _____

TERMS AND CONDITIONS OF QUOTATION/OFFER TO SELL

A. TERMS AND CONDITIONS

1. Offer and Acceptance:

This Quotation/Offer to Sell is not an acceptance of the terms and conditions of any prior or subsequent offer or order of Customer and any such terms and conditions are expressly rejected. This Quotation/Offer to Sell is an offer by RM EQUIPMENT to Customer. Customer, by accepting this Quotation/Offer to Sell accepts RM EQUIPMENT'S offer contained herein and such acceptance of this offer is expressly limited to its terms. Any subsequent submission of an order or similar document to RM EQUIPMENT covering the Products or Work quoted herein also constitutes an unqualified acceptance of this offer notwithstanding terms and conditions in said order or other document to the contrary. Under no circumstances shall any terms and conditions of Customer's business forms that are inconsistent with the terms and conditions of this Quotation/Offer to Sell become part hereof. Upon acceptance, this Quotation/Offer to Sell shall become the final written expression of agreement between RM EQUIPMENT and Customer, constituting the entire contract between Customer and RM EQUIPMENT and superseding all previous communications, either verbal or written. This Quotation/Offer to Sell may be modified only in writing signed by an owner or partner of RM EQUIPMENT. Reference herein to any order or other communication is only for the purpose of identifying the Products or Work ordered. Notwithstanding the foregoing, RM EQUIPMENT reserves the right to correct minor errors and omissions committed by RM EQUIPMENT'S employee while completing this Quotation/Offer to Sell. This right to correct includes, but is not limited to, sales tax, freight, insurance, customs brokerage, filing fees, spelling, serial numbers, legal name, payment dates, etc. Such errors may be unilaterally corrected by RM EQUIPMENT.

2. Price:

The price of the Products and Work is \$ _____, or \$ _____ per unit, or as stated in the RM EQUIPMENT Purchase Order and Invoice, which is incorporated herein by reference. The price of the Products and Work quoted herein, as stated above, is subject to change without notice unless a period of price firmness has been provided in the quotation. The actual sales price of the Products and Work shall be RM EQUIPMENT'S price in effect at the date of acceptance. If transportation charges are not included in the price of the Products and Work, as quoted above, the same shall be paid by Customer upon delivery. Transportation charges shall include all switching, spotting, drayage, demurrage and other transportation charges or taxes incurred at destination. Customer shall pay, in addition to the sales price applicable at the time of delivery, all excise, privilege, occupational, sales, use, personal property and other taxes, whenever due, and in the event the same are paid by RM EQUIPMENT, Customer will reimburse RM EQUIPMENT for the cost thereof forthwith upon demand by RM EQUIPMENT.

3. CUSTOMER'S CREDIT:

This Quotation/Offer to Sell contemplates a security interest in the Product, is subject to RM EQUIPMENT'S approval of Customer's credit on the actual delivery date, and RM EQUIPMENT reserves the right to restrict the contract resulting from the acceptance hereof to a cash sale or to specify all credit terms and the security to be given for the extension of credit. Customer shall sign such security documents and financing statements as required by RM EQUIPMENT. If Customer fails to make payments in accordance with the terms of the contract resulting from this Quotation/Offer to Sell, RM EQUIPMENT may at its election defer any further shipments under such contract or terminate this Quotation/Offer to Sell and the contract resulting from the acceptance hereof and in any such case Customer waives all claims against RM EQUIPMENT.

4. LIQUIDATED DAMAGES:

Customers cancelling their order set forth in the Purchase Order within 30 days of the Purchase Order date shall pay liquidated damages in the amount of \$25,000.00. Customers cancelling their Purchase Order after 30 days shall pay liquidated damages of \$50,000.00. Such liquidated damages shall be retained and paid out of the pre-payment deposit. Such liquidated damages shall be in addition to any other damages which RM EQUIPMENT may assert for breach of the contract between RM EQUIPMENT and Customer set forth in the Purchase Order, Invoice, Terms and Conditions, and Statement of Limited Warranty.

5. LATE PAYMENT AND/OR NONPAYMENT BY CUSTOMER:

In the event that the invoice applicable to the Products and/or Work described herein is not paid by Customer by said invoice's due date, Customer shall pay a late/service charge of up to 3% of the total invoice amount for each month that said invoice remains unpaid. In the event of nonpayment by Customer, the cost incurred by RM EQUIPMENT in collecting the indebtedness, including attorneys' fees and expenses, with interest at the maximum rate allowed by law from date of expenditure, shall be added to the principal amount of the indebtedness owed to RM EQUIPMENT. The remedies provided by this paragraph are not exclusive and RM EQUIPMENT may elect other remedies at law or in equity.

6. RISK OF LOSS:

All risk of loss or damage to the Products shall pass to Customer upon delivery by RM EQUIPMENT to a carrier for shipment.

7. LAWS GOVERNING - EXCLUSIVE VENUE - STATUTE OF LIMITATIONS - AND SEVERABILITY:

This Quotation/Offer to Sell shall be governed by and construed under the laws of the state of Idaho notwithstanding delivery by RM EQUIPMENT in a state or province other than Idaho. Any suit by RM EQUIPMENT shall be brought in the United States District Court for Idaho, at Coeur d' Alene, Idaho, at 6450 North Mineral Drive, Coeur d' Alene ID 83815. The Customer hereby knowingly and for due consideration agrees to the jurisdiction of the United States District Court for Idaho, at Coeur d' Alene, Idaho, at 6450 North Mineral Drive, Coeur d' Alene ID 83815, and waives all rights to contest the jurisdiction of these Courts. Any suit by Customer must be brought in the United States District Court for Idaho, at Coeur d' Alene, Idaho, at 6450 North Mineral Drive, Coeur d' Alene ID 83815. If any provision of this Quotation/Offer to Sell shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Quotation/Offer to Sell shall be construed as if such invalid or unenforceable provision had never been contained herein.

8. SECURITY INTEREST:

Without waiving any rights to elect to proceed under applicable lien laws, the Customer grants a security interest in the Products furnished hereunder until the agreed price has been fully paid in United States currency; and in the event of a default in payment, RM EQUIPMENT shall have all rights of repossession and other rights available to a secured party under the applicable laws. Customer will pay all costs of filing any financing, continuation or termination statement with respect to the purchase money security interest created hereby, and RM EQUIPMENT is hereby irrevocably appointed Customer's attorney in fact to do all acts and things which RM EQUIPMENT may deem necessary to perfect and continue the perfection of its purchase money security interest in the Product.

B. MANUFACTURER'S WARRANTY

The New Equipment or New Parts quoted herein ("New Products") may be subject to certain express warranties of the manufacturer on equipment or parts not manufactured or sold by RM EQUIPMENT. **CUSTOMER, BY ACCEPTING THIS QUOTATION/OFFER TO SELL, ACKNOWLEDGES THAT CUSTOMER HAS READ, UNDERSTANDS AND ACCEPTS MANUFACTURER'S WARRANTY (WARRANTIES) APPLICABLE TO THE MANUFACTURER'S NEW PRODUCTS.**

C. USED PRODUCTS

If equipment or parts other than New Products ("Used Products"), are being quoted herein, such Used Products are sold on an AS-IS basis, with no warranty whatsoever, except as may be expressly stated on the face hereof.

RM EQUIPMENT DISCLAIMS ALL OTHER WARRANTIES, EXPRESS, IMPLIED OR STATUTORY AND SPECIFICALLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

D. SAFETY AND HEALTH STANDARDS

Use of the Products ordered herein may require Customer to comply with various federal, state or local laws, rules, regulations, or safety codes including, but not limited to, the Occupational Safety and Health Act ("OSHA"), current regulations and standards applicable under OSHA ("OSHA Standards") and the Federal Coal Mine Health and Safety Act of 1969 ("Coal Mine Act"). Customer acknowledges that the Products ordered herein may require certain additional safety guards and devices before it can be used in compliance with the dictates of applicable federal, state or local laws, rules, regulations or safety codes (including OSHA Standards and the Coal Mine Act).

CUSTOMER HEREBY ASSUMES SOLE RESPONSIBILITY FOR THE INSTALLATION OF SUCH SAFETY GUARDS AND DEVICES AS FEDERAL, STATE OR LOCAL LAWS, RULES, REGULATIONS OR SAFETY CODES (INCLUDING BUT NOT LIMITED TO OSHA, THE OSHA STANDARDS AND THE COAL MINE ACT) MAY DICTATE, NOTWITHSTANDING THAT RM EQUIPMENT MAY NOT PROVIDE SUCH GUARDS OR DEVICES WITH THE PRODUCTS ORDERED HEREIN.

CUSTOMER HEREBY RELEASES RM EQUIPMENT AND RM EQUIPMENT'S OFFICERS, AGENTS AND EMPLOYEES FROM ANY AND ALL CLAIMS ARISING FROM ANY USE OF THE PRODUCTS ORDERED HEREIN IN VIOLATION OF THE DICTATES OF ANY FEDERAL, STATE OR LOCAL LAWS, RULES, REGULATIONS OR SAFETY CODES (INCLUDING BUT NOT LIMITED TO OSHA, THE OSHA STANDARDS AND THE COAL MINE ACT).

E. DISCLAIMER OF TORT LIABILITY

Customer specifically understands and agrees that RM EQUIPMENT, and RM EQUIPMENT'S officers, agents and employees, shall not be liable in tort -- whether based on negligence, strict liability, or any other theory of tort liability -- for any action or failure to act in respect to the manufacture, preparation for sale, sale, delivery or servicing (including the entrance of RM EQUIPMENT'S personnel onto purchaser's property for delivery, service or for any other purpose) of the Products quoted herein, or for any action or failure to act in respect to the workmanship involved in, or Products used in, any Work. **IT IS THE PARTIES' INTENT AND THE INTENT OF THIS PROVISION TO INDEMNIFY AND ABSOLVE AND PROTECT RM EQUIPMENT AND RM EQUIPMENT'S OFFICERS, AGENTS AND EMPLOYEES FROM ANY AND ALL TORT LIABILITY.**

F. EXCLUSIVE REMEDY AND EXCLUSION OF CONSEQUENTIAL DAMAGES

Customer specifically understands and agrees that Customer's sole and exclusive remedy for breach of warranty, defective Work, tortious conduct or any other cause of action against RM EQUIPMENT or RM EQUIPMENT'S officers, agents or employees, if any, shall be as provided in the GENERAL CONDITIONS & EXCEPTIONS paragraph contained in the "STATEMENT OF LIMITED WARRANTY" document. CUSTOMER SPECIFICALLY UNDERSTANDS AND AGREES THAT NO OTHER REMEDY (INCLUDING BUT NOT LIMITED TO CLAIMS FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, FOR ANY CAUSE WHATSOEVER, OR INJURY TO PERSONS (INCLUDING DEATH RESULTING THEREFROM) OR PROPERTY OR ANY OTHER CONSEQUENTIAL, ECONOMIC OR INCIDENTAL LOSS) SHALL BE AVAILABLE TO HIM.

G. CUSTOMER'S RESPONSIBILITIES

Customer will at all times operate and maintain the Products in accordance with the instructions outlined in the Maintenance and Operation Instruction Book furnished at time of purchase.

Any damage to the Products that result from Customer's continued use of the Products after a defect has been recognized by Customer is Customer's sole responsibility and RM EQUIPMENT has no responsibility to repair or correct any damage that results from Customer's continued use of the Products after a defect has been recognized by Customer.

Customer shall be liable to RM EQUIPMENT for all expenses incurred by RM EQUIPMENT if servicemen are called to the job by the Customer and Customer refuses to permit the requested work to be performed.

Customer shall make payment for all Products and/or all Work in accordance with the credit and payment policies of RM EQUIPMENT that are in effect at the time the Products are sold or the Work is performed.

Customer grants RM EQUIPMENT the right to operate Customer's equipment for purposes of testing or inspecting the Product at RM EQUIPMENT'S location or at Customer's location.

The Customer acknowledges that it has read this agreement, understands it and is bound by its terms.

Customer

Date