



## STANDARD TERMS AND CONDITIONS OF SALE (April 1, 2016)

All sales are made on our STANDARD TERMS AND CONDITIONS OF SALE in effect at the time a customer's order is accepted. These Terms and Conditions will be the complete and exclusive statement of the terms of the agreement governing the sale of goods ("Goods") by Van Gorp Corporation to Customer ("Buyer"). Buyer's acceptance of the Goods will manifest Buyer's assent to these Terms and Conditions. If these Terms and Conditions differ in any way from the terms and conditions of Buyer's order, or other documentation, this document will be construed as a counteroffer and will not be deemed an acceptance of Buyer's terms and conditions which conflict herewith.

1. **PRICES:** Unless otherwise specified in writing by Van Gorp Corporation, the price for the goods shall remain in effect for thirty (30) days after the date of quotation. Prices are exclusive of all city, state and federal taxes. When ever applicable, such tax or taxes will be paid by the Buyer.
2. **TERMS OF PAYMENT:** Subject to the approval of Van Gorp Corporation's Credit Department, terms are net thirty (30) days from date of invoice in U.S. currency. If any payment is not paid when due, it shall bear interest, at a minimum of \$1.00 or a monthly rate of 1.5% with a annual maximum rate of 18% which shall not exceed the maximum rate permitted by law, from the date on which it is due until it is paid. Van Gorp Corporation shall have the right, among other remedies, either to terminate the Agreement or to suspend further performance under this and/or other agreements with Buyer in the event Buyer fails to make any payment when due. Buyer shall be liable for all expenses, including attorneys' fees, relating to the collection of past due amounts.
3. **MINIMUM BILLING:** \$50.00 net exclusive of transportation charge.
4. **SHIPMENT AND DELIVERY:** Shipments are made FCA shipping origin point freight collect. Any claims for shortages or damages suffered in transit shall be submitted by the Buyer directly to the carrier. While Van Gorp Corporation will use all reasonable commercial efforts to maintain the delivery date acknowledged or quoted, all shipping dates are approximate. Van Gorp Corporation reserves the right to make partial shipments and to segregate "specials" and made-to-order Goods from normal stock Goods.
5. **LIMITED WARRANTY:** Subject to the limitations of Section 6, Van Gorp Corporation warrants that the Goods will be free from defects in material and workmanship under normal use, service and maintenance for pulleys a period of one year, CEMA Class idlers 36 months from the date of shipment of the Goods by Seller, Endurance Class idlers 120 months from the date of shipment of the Goods by Seller (unless otherwise specified in writing).

**THIS IS THE SOLE AND EXCLUSIVE WARRANTY WITH RESPECT TO THE GOODS AND IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WHETHER OR NOT THE PURPOSE OR USE HAS BEEN DISCLOSED TO VAN GORP CORPORATION IN SPECIFICATIONS, DRAWINGS OR OTHERWISE, AND WHETHER OR NOT THE PRODUCTS ARE SPECIFICALLY DESIGNED AND/OR MANUFACTURED FOR BUYER'S USE OR PURPOSE.**

This warranty does not extend to any losses or damages due to misuse, accident, abuse, neglect, normal wear and tear, unauthorized modification or alteration, use beyond rated capacity, or improper installation, maintenance or application. To the extent that Buyer or its agents has supplied specifications, information, representation of operating conditions or other data to Van Gorp Corporation in the selection or design of the Goods and the preparation of the quotation, and in the event that actual operating conditions or other conditions differ from those represented by Buyer, any warranties or other provisions contained herein which are affected by such conditions shall be null and void. If within thirty (30) days after Buyer's discovery of any warranty defects within the warranty period, Buyer notifies Van Gorp Corporation thereof in writing, Van Gorp Corporation shall, at its option, repair or replace FCA point of manufacture, or refund the purchase price for, that portion of the goods found by Seller to be defective. Failure by Buyer to give such written notice within the applicable time period shall be deemed an absolute and unconditional waiver of Buyer's claim for such defects. Goods repaired or replaced during the warranty period shall be covered by the foregoing warranty for the remainder of the original warranty period or ninety (90) days, whichever is longer. Buyer assumes all other responsibility for any loss, damage, or injury to persons or property arising out of, connected with, or resulting from the use of Goods, either alone or in combination with other prod

ucts/components.

6. **LIMITATION OF REMEDY AND LIABILITY: THE SOLE AND EXCLUSIVE REMEDY FOR BREACH OF ANY WARRANTY HEREUNDER SHALL BE LIMITED TO REPAIR, REPLACEMENT OR REFUND OF THE PURCHASE PRICE UNDER SECTION 5. VAN GORP CORPORATION SHALL NOT BE LIABLE FOR DAMAGES CAUSED BY DELAY IN PERFORMANCE AND IN NO EVENT, REGARDLESS OF THE FORM OF THE CLAIM OR CAUSE OF ACTION (WHETHER BASED IN CONTRACT, INFRINGEMENT, NEGLIGENCE, STRICT LIABILITY, OTHER TORT OR OTHERWISE), SHALL VAN GORP CORPORATION'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS EXCEED THE PRICE TO BUYER OF THE SPECIFIC GOODS PROVIDED BY VAN GORP CORPORATION GIVING RISE TO THE CLAIM OR CAUSE OF ACTION. BUYER AGREES THAT IN NO EVENT SHALL VAN GORP CORPORATION'S LIABILITY TO BUYER AND/OR ITS CUSTOMERS EXTEND TO INCLUDE INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES. THE TERM "CONSEQUENTIAL DAMAGES" SHALL INCLUDE, BUT NOT BE LIMITED TO, LOSS OF ANTICIPATED PROFITS, LOSS OF USE, LOSS OF REVENUE, COST OF CAPITAL AND DAMAGE OR LOSS OF OTHER PROPERTY OR EQUIPMENT.**

It is expressly understood that any technical advice furnished by Van Gorp Corporation with respect to the use of the Goods is given without charge, and Van Gorp Corporation assumes no obligation or liability for the advice given, or results obtained, all such advice being given and accepted at Buyer's risk.

7. **EXCUSE OF PERFORMANCE:** Van Gorp Corporation shall not be liable for delays in performance or for non-performance due to acts of God, acts of Buyer, war, riot, fire, flood, other severe weather, sabotage, or epidemics; strikes or labor disturbances; governmental requests, restrictions, laws, regulations, orders or actions; unavailability of or delays in transportation; default of suppliers; or unforeseen circumstances or any events or causes beyond Van Gorp Corporation's reasonable control.
8. **CANCELLATION:** The Buyer may cancel orders only upon written notice and upon payment to Van Gorp Corporation of cancellation charges which include, among other things, all costs and expenses incurred and a reasonable profit thereon.
9. **CHANGES:** Buyer may request changes or additions to the Goods consistent with Van Gorp Corporation's specifications and criteria. In the event such changes or additions are accepted, Van Gorp Corporation may revise the price and delivery schedule.
10. **RETURNED GOODS:** No goods shall be returned without prior written consent and all return freight charges must be borne by the Buyer.
11. **ASSIGNMENT:** Buyer shall not assign its rights or delegate its duties hereunder or any interest therein or any rights hereunder without the prior written consent of Van Gorp Corporation, and any such assignment, without such consent, shall be void.
12. **MISCELLANEOUS:** These terms and conditions set forth the entire understanding and agreement between Van Gorp Corporation and Buyer, and supersede all other communications, negotiations and prior oral or written statements regarding the subject matter of these terms and conditions. No change, modification, rescission, discharge, abandonment, or waiver of these terms and conditions of Sale shall be binding upon Van Gorp Corporation unless made in writing and signed on its behalf by an officer of Van Gorp Corporation. Van Gorp Corporation is not responsible for typographical or clerical errors made in any quotation, orders or publications. All such errors are subject to correction. The validity, performance, and all other matters relating to the interpretation and effect of this contract shall be governed by the law of the state of Iowa.