

TERMS AND CONDITIONS (advance payment; six-month warranty)

UltraSource LLC ("UltraSource") and the customer named herein ("Customer") agree that the following terms and conditions shall govern the sale, delivery, installation, and use of the equipment described herein ("Equipment").

- 1. Sale and Purchase of Equipment.** UltraSource agrees to sell to Customer, and Customer agrees to purchase from UltraSource, the Equipment at the prices set forth herein.
- 2. Taxes.** All prices are exclusive of any federal, state, local or foreign taxes, duties, customs or like charges, including state and local sales or use taxes. If applicable, state and local sales tax will be added to the total unless Customer provides UltraSource with a tax-exempt certificate.
- 3. Terms of Payment.** The aggregate purchase price shown herein is payable by Customer to UltraSource as follows: Payment in full before shipment of Equipment to Customer.
- 4. Shipment.** UltraSource shall ship the Equipment to Customer at the address herein, or such other location as Customer shall designate in writing. Customer shall pay all shipping costs, duties, clearing charges, insurance costs and other costs incident to delivery of the Equipment to Customer. Risk of loss shall pass to Customer at the time of delivery by UltraSource to the carrier.
- 5. Cancellation.** At any time within thirty (30) days following the date of acceptance hereof by UltraSource, Customer may terminate this agreement upon written notice to UltraSource and upon the payment to UltraSource of a cancellation fee in the amount of twenty percent (20%) of the purchase price of the Equipment. Within thirty (30) days after termination, UltraSource shall return to Customer any funds theretofore received hereunder from Customer, less the amount of the cancellation fee payable by Customer to UltraSource. Any such termination by Customer shall be ineffective if written notice thereof is received by UltraSource after the date the Equipment is shipped to Customer by UltraSource. Special or custom orders (such as tooling or custom machinery) are excluded from this cancellation policy and are non-refundable and non-cancelable.
- 6. Installation.** Installation and final hook-up of the Equipment to utilities shall be the sole responsibility of Customer. An Ultravac Services technician will be available to Customer for consultation during installation or at any time thereafter at UltraSource's then prevailing daily rate plus reasonable travel and lodging expenses, all of which shall be paid by Customer.
- 7. Warranty.** UltraSource warrants that the Equipment will, upon shipment to Customer, conform to the description and specifications set forth herein and will be free from defects in material and workmanship under normal and proper use and service for a period of six (6) months following delivery of the Equipment to Customer. Ninety-day (90) warranty on labor. UltraSource's sole obligation under this warranty shall be to repair or replace, at its option, the defective Equipment or parts at no charge to Customer. As a condition of this warranty, Customer must obtain instructions from UltraSource regarding the return of any defective Equipment or parts and return such Equipment or parts, freight prepaid, together with a written description of the claimed defect, to UltraSource's plant. In addition, either Customer or UltraSource may terminate this agreement at any time during the thirty (30) day period following the date the Equipment is first installed and operable if Customer is not satisfied that the Equipment conforms to the descriptions and specifications set forth herein and UltraSource states that it is unable to cure such alleged failure to conform. After the expiration of such thirty (30) day period, such Equipment shall be deemed to conform to such description and specifications.

UltraSource will not be responsible for, and this warranty will not cover, damage to the Equipment caused by accident or any damage due to (i) improper service or operation of the Equipment, (ii) alteration of the Equipment or any use of the Equipment for any purpose other than its intended purpose, or (iii) abuse of or failure to properly maintain the Equipment. Further, this warranty will not cover normal wear items including, but not limited to, seal bars, all gaskets, Teflon® tape, backup strips, seal elements, bladders, and/or air/oil pump filters. In addition, regular maintenance of the vacuum pump is a condition of the warranty. All maintenance must conform to the specifications of the vacuum pump manufacturer, including regular oil changes and air/oil filter changes using specified replacement oil and filters (see owner's manual for UltraSource part numbers). All replacement items must likewise meet the specifications of the vacuum pump manufacturer and any substitutions could invalidate the warranty.

- 8. Exclusive Remedy and Limitation of Liability.** EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH IN SECTIONS 7 AND 10, ULTRASOURCE MAKES NO OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. NO EMPLOYEE OR AGENT OF ULTRASOURCE HAS THE AUTHORITY TO GRANT ANY OTHER WARRANTY TO CUSTOMER, WRITTEN OR ORAL, UNLESS SUCH WARRANTY IS SET FORTH IN WRITING AND SIGNED BY AN OFFICER OF ULTRASOURCE. THE EXPRESS WARRANTIES SET FORTH IN SECTIONS 7 AND 10 ARE GIVEN IN SATISFACTION OF ANY AND ALL OBLIGATIONS OR LIABILITIES OF ULTRASOURCE TO CUSTOMER, OR ANY THIRD PARTY, WITH RESPECT TO THE EQUIPMENT (WHETHER SUCH LIABILITIES OR OBLIGATIONS ARISE OUT OF CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT OR OTHERWISE). WITHOUT LIMITING THE FOREGOING, ULTRASOURCE SHALL NOT BE LIABLE FOR ANY PROPERTY DAMAGE OR PERSONAL INJURY TO CUSTOMER, OR ANY THIRD PARTY, WITH RESPECT TO THE EQUIPMENT. FURTHER, IN THE EVENT OF RETURN OF THE EQUIPMENT OR PARTS, ULTRASOURCE SHALL NOT BE LIABLE FOR ANY DAMAGES TO CUSTOMER'S PREMISES CAUSED BY REMOVAL OF THE EQUIPMENT NOR SHALL ULTRASOURCE BE OBLIGATED IN ANY WAY TO RESTORE THE SAME. CUSTOMER'S EXCLUSIVE REMEDY FOR ANY LOSS, DAMAGE OR INJURY RELATED TO THE EQUIPMENT SHALL BE LIMITED TO REPAIR OR REPLACEMENT OF DEFECTIVE EQUIPMENT OR PARTS OR, IN THE CASE OF A PATENT OR COPYRIGHT INFRINGEMENT ACTION, DEFENSE OF SUCH ACTION AS PROVIDED IN SECTION 10. IN NO EVENT SHALL ULTRASOURCE'S LIABILITY TO CUSTOMER EXCEED THE AMOUNT PAID BY CUSTOMER FOR THE EQUIPMENT. WITHOUT LIMITING THE FOREGOING, ULTRASOURCE SHALL NOT BE LIABLE TO CUSTOMER FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS OR REVENUES, EVEN IF ULTRASOURCE HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. ULTRASOURCE MAKES NO REPRESENTATIONS OR WARRANTIES REGARDING THE YIELD, QUALITY OR CHARACTERISTICS OF CUSTOMER'S PRODUCT THAT MAY RESULT FROM PROCESSING BY THE EQUIPMENT.

- 9. Federal Acceptance.** The Equipment shall conform to and be in compliance with applicable rules and regulations governing acceptance by the United States Department of Agriculture ("USDA"). Because the United States Department of Labor does not issue acceptance letters (as does the USDA), UltraSource cannot guarantee that the Equipment will comply with the Federal Occupational Safety and Health Act and the regulations issued thereunder.

- 10. Security Agreement.** Customer hereby grants to UltraSource a purchase money security interest in the Equipment as security for the performance by Customer of all of Customer's payment obligations hereunder, together with the right, without liability, to repossess the Equipment, with or without notice, in the event of default by Customer in the payment of all or any part of Customer's payment obligations hereunder. Customer shall execute and deliver to UltraSource such further instruments as may be necessary to perfect the security interest herein granted under the Uniform Commercial Code or similar laws of any appropriate jurisdiction, and Customer hereby appoints UltraSource as Customer's attorney-in-fact to execute any and all such instruments in the event Customer fails, for whatever reason, to execute such instruments. In the event of default by Customer, UltraSource shall have all rights and remedies of a secured party under the Uniform Commercial Code or similar laws of any appropriate jurisdiction, in addition to all other rights and remedies under this agreement.

- 11. Delay in Performance.** UltraSource shall not be liable for any damages or penalties as a result of any delay in UltraSource's performance hereunder when such delay is due to the elements, acts of God, delay in transit, delay in delivery by any vendor of UltraSource or any other cause beyond the reasonable control of UltraSource.

- 12. Warning (applicable to packaging equipment).** While this machine is often used for food packaging and vacuum cooking, there are inherent risks associated with this packaging technique that could cause serious illness or death to the consumer of the food product. If you are using this machine for a food application, you must consult with a reputable food technologist or specialist in vacuum/modified atmosphere packaging (M.A.P.) to review the safety of your application and, if using gas flushing or M.A.P., determine the level and frequency of your final package gas testing and quality control to assure that the gas input level and mix are correct and safe.

In order to ensure proper shelf life of the food product packaged in this machine, you must contact a reputable food technologist or specialist in vacuum/modified atmosphere packaging (M.A.P.) to review and develop the appropriate gas mixture for your package, and you must perform quality control and gas analysis on your finished M.A.P. packages.

The undersigned, as a condition of purchasing this packaging machine, agrees to have all operators read and understand the operating manual before use and to ensure all operators and management abide by all warnings, which will help assure the operator's safety and the integrity and safety of the packages produced.

- 13. General.** This agreement shall be binding upon UltraSource and Customer only after Customer has signed this agreement. This agreement is the complete and exclusive statement of the understanding between the parties and supersedes all written or oral proposals and all other communications between the parties relating to the subject matter of this agreement. Customer may not assign or transfer any of Customer's rights, duties or obligations under this agreement without the prior written consent of UltraSource. This agreement may be amended, modified or supplemented only by a written agreement between Customer and UltraSource that is signed by an officer of UltraSource. UltraSource shall not be bound by any additional or different terms or conditions on any form of Customer unless UltraSource agrees to such terms and conditions in a writing signed by an officer of UltraSource. The waiver or failure of either party hereto to exercise in any respect any right provided for hereunder shall not be deemed a waiver of any further right hereunder. If any provision of this agreement shall be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this agreement. The laws of the State of Missouri shall govern this agreement. Customer unconditionally and irrevocably accepts and submits to the jurisdiction of the United States District Court for the Western District of Missouri and the courts of the State of Missouri with respect to any legal action, suit or proceeding arising out of or in connection with this agreement. To the extent permitted by law, Customer agrees to reimburse UltraSource for all reasonable attorney's fees incurred in connection with enforcing any of UltraSource's rights under this agreement, including, without limitation, any reasonable attorney's fees incurred by UltraSource in any bankruptcy proceeding involving Customer.

CUSTOMER:

Printed Name
By: _____
Title: _____

The foregoing is accepted and agreed to as of the ____ day of _____, 20____.

ULTRASOURCE LLC:

By: _____