

**December 22, 2021**

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Ya UJ]. [dfraser@ebco.com](mailto:dfraser@ebco.com)

**Price Quotation**

**Presented by:**

Marco Canducci  
Marco Canducci Consulting, Inc.  
P.O. Box 1339  
Douglasville, GA 30133  
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[marco.canducci@mcc-inc.net](mailto:marco.canducci@mcc-inc.net)



**USED 2014 Busellato Easy Jet 4'x8' CNC ROUTER** *5x12 chassis shown*

*Note: The pictures and/or illustrations included in this quotation are for descriptive purposes and intended to aid in understanding certain features of the machine. Some depictions may not reflect the exact construction and may include options that are not part of this offer. In all cases, the written text supersedes any graphic representation. If you have any questions, please consult your Casadei-Busellato product manager.*

# **BUSELLATO** *The workhorse of the Industry*

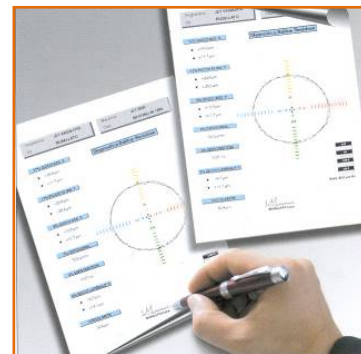
## **MACHINE SPECIFICATIONS**

### **Busellato Easy Jet 4'x8' CNC ROUTER**

Busellato uses 3-dimensional solid modeling systems to design its working centers which are built with a mobile beam and stationary basement. The beam moves in a longitudinal direction with respect to the basement (X axis) and supports a pair of carriages which determine the movement of the Y and Z axes. The X and Y axes define a plane parallel to the floor and the Z axis moves up and down perpendicular to this plane. This configuration allows a remarkable reduction in the machine's overall size and improves the machine's performance and functionality. The basement and the beam are made of electrically welded steel and are ribbed and strengthened internally to guarantee maximum rigidity even under intense working. The structures undergo a thermally-controlled normalization cycle.

#### **QUALITY CONTROL**

All phases of assembly undergo conformity checks according to special testing procedures. The alignment of all the linear guides is carried out using an electronic level guaranteeing straightness and parallelism tolerances to be within 0.02 mm per linear meter. On all machines, positioning precision and bi-directional repeatability of the axes is checked using an interferometer laser system. Bi-directional positioning precision is guaranteed within a tolerance of  $\pm 0.05$  mm. To complete the dynamic tests carried out on the machines, the interpolation of the axes (circularity) is tested with the Ball-Bar Renishaw device. An electrical test of the whole system is carried out on each machine according to CEI EN 60204-1 legislation.



#### **LINEAR MOTION SYSTEMS**

**X and Y AXES** - Movement of these axes is by rack and pinion with convex, helicoidal teeth, made of hardened and tempered steel which undergoes a thermal carburizing treatment and successive hardening. A lubricating film is applied to the teeth, eliminating the need for lubrication during the life of the machine. The pinion is splined directly on a high precision planetary gearbox. Precision of the movement along the X axis is guaranteed by a measurement with laser instrumentation and software management of the calibration curve to guarantee an absolute measurement with time. The mobile beam moves on high precision pre-loaded ball runner blocks and linear guides made of rectified and hardened steel. Ball runner blocks for all axes are equipped with a seal guaranteeing maximum protection from dirt and dust.

**Z AXIS** - The carriage for this axis is made from an aluminum alloy with highly rigid mechanical properties. Movement of this axis is by ball nut with pre-loaded lead screw in order to guarantee high speeds with minimal wear. The carriage is mounted on pre-loaded ball runner blocks which slide on very high precision linear guides made of rectified and hardened steel. Z axis motor and ball screws are sized to avoid the need for pneumatic assistance. All axes are driven by AC brushless motor fed and controlled by digital drives.

#### **DUST EXTRACTION**

Busellato installs a centralized dust extraction system, with a single large pipe mounted on the head for easy connection to the central system. In addition, Busellato supplies an optional **4-way VECTOR** air blast system consisting of four pipes pointing in + and - X and + and - Y direction to blow air behind the cutting tool to greatly enhance dust extraction. The NC control automatically manages the supply of air to one of the four pipes according to the direction the machine is moving.

#### **LUBRICATION**

The machine is equipped with a central lubrication system with progressive distribution. The system has a single feeding point for the group of distributors, which send automatically and safely, an adequate volume of lubrication to each lubrication point. The grease reservoir and pump are permanently attached to the machine, eliminating the need to store and maintain a separate grease gun. The control software alerts the operator when lubrication is necessary.

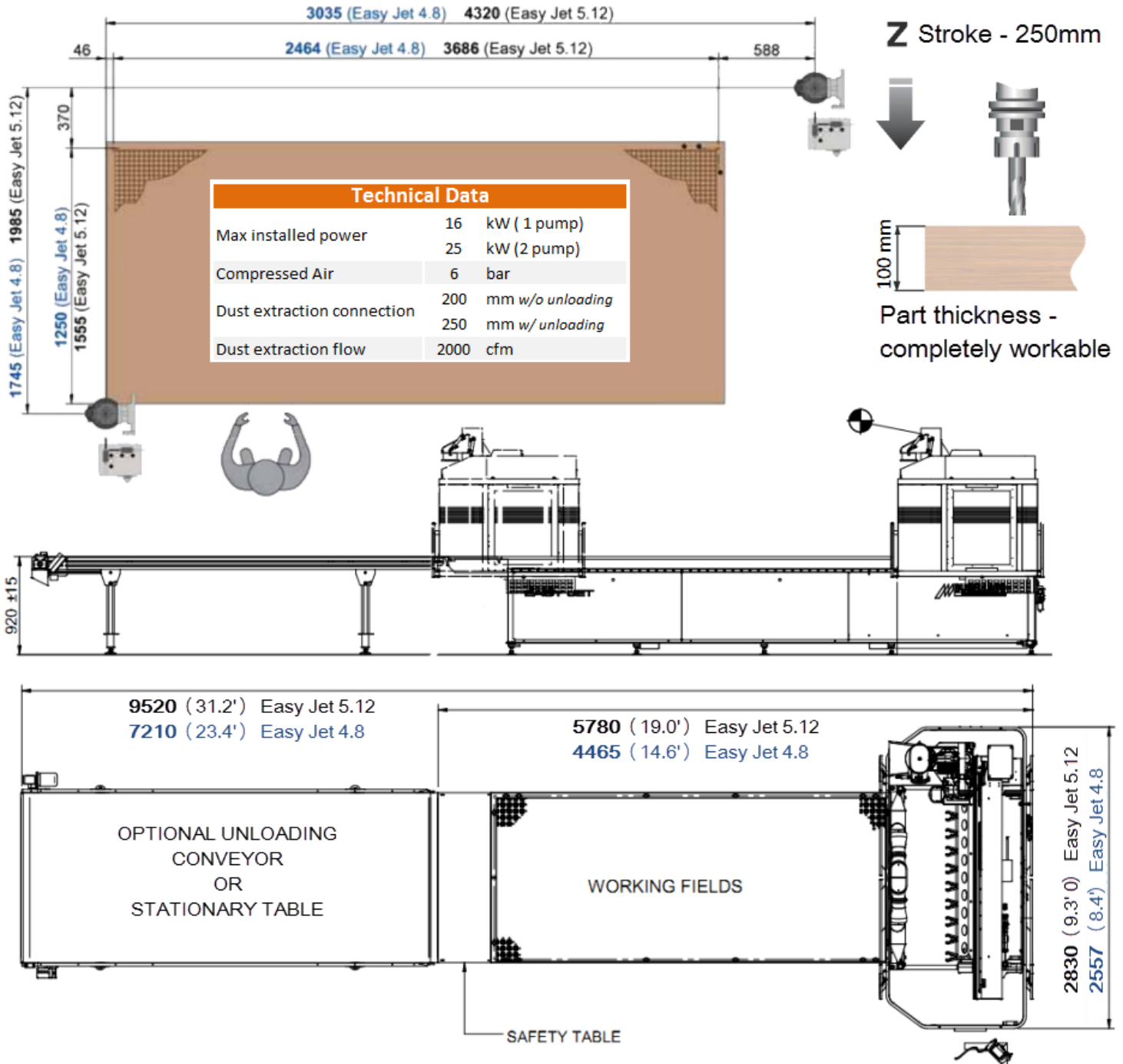
## INVERTER

The BUSELLATO JET ROUTER employs a heavy duty, digital, programmable frequency static converter (inverter) and includes control that the motor has stopped, braking resistance and automatic reset in case of emergency.

## TELE-SERVICE VIA INTERNET

Allows remote connection between the machine's PC and Casadei-Busellato's Authorized Service Center allowing direct intervention on the control for checking parameters of the whole machine, single programs and installation of eventual software updates. Internet access and connection is the responsibility of the customer.

## TECHNICAL DATA



## VACUUM TABLE AND SYSTEM

### NESTING ROUTER TABLE

Router table is 49" x 97" with two rear and one RH lateral stops and is machined from heavy-duty, thick phenolic with gasket channels throughout the table for re-configuring the vacuum area. The rectangular grid is made of 30mm sections.

### FB0588 HIGH VOLUME VACUUM PUMP

Oil-less, dry vane vacuum pump with flow capacity of 300 m<sup>3</sup>/hour (173cfm)

### FB0564 Phenolic router-type table (30x30 grid)

Grid pattern 30mm x 30mm allows the use of various optional vacuum cups

### FB0717 Panel Evacuation Device with Integrated Dust Collection



Stationary unloading table's frame (customer provides top)

## WORKING UNITS

### Electrospindle 6.6kW (9hp) - HSK F63

- Mounted directly to the Z carriage, unit slides on linear bearing blocks and two high precision, hardened, steel linear guides which guarantee an equal loading capacity in all 4 directions.
- Tool locking is by Belleville washers, unlocking by pneumatic piston. Three proximity sensors assure correct tool coupling.
- Maximum power 6.6kW (9Hp)
- Maximum rotation speed 24,000 rpm
- Driver three phase motor controlled by inverter
- Rotation sense right and left
- Spindle lubrication permanent greasing
- Front/rear bearings ceramic/ceramic

### FB0592 4-way air blast for electrospindle to greatly enhance dust collection

- 4 CNC-controlled air jets, situated at 0°, 90°, 180° and 270° around spindle and adjusted to aim at base of cutting tool,
- CNC control automatically activates the jet following the cutting tool to blow dust from groove, making it airborne so that dust collection system can effectively remove it.

### 7M boring head

- Working unit for vertical drilling with independent spindles.
- Made in light aluminum alloy with high mechanical properties, the unit is equipped with:
- 7 spindles with vertical outlets in an "L" shape, 32 mm pitch
- All spindles rotate simultaneously and in alternate sequence, right and left. The independent insertion movement of each spindle, by means of pneumatic cylinders, allows both single and multiple drillings.
- Control of the spindles by an electro-valve and cylinder with single thrust chamber for a drilling force of 43kg (95lb) per spindle.
- The working unit is rotated by an asynchronous 1.7 kW electrical motor controlled by "inverter".
- The motor, in turn, activates the transmission made of special steel gears with wide, slanting, rectified and thermally hardened teeth.
- The tool attachment is designed for 10mm cylindrical shanks.

### 8 position parallel tool changer on the Y beam for high speed tool change - HSK F63

- Automatic 8 position tool changer for electrospindle with HSK F63 attachment.
- Mounted in a fixed position on the RH side of the machine
- Max. overall tool height 160mm
- Max. tool diameter 160mm
- Collet center-center spread 165mm

FB0565 Windows PC on mobile stand for programming and tool management at machine



## FB0583 Automatic Tool Length Measuring Device

- Device automatically senses tool length and updates Tool parameter in control software.
- Eliminates possible tool and machine damage from incorrect data input.
- Decreases downtime for tool change out
- Device measures bottom-most point of tool. May not be suitable for certain custom profile tools.



## FB0698 Auto-transformer for 208/230/460V - 50/60HZ - 35 kVA.

**Four (4) HSK-F63 cone R.H.** rotation for electrospindle with **ERG32 COLLET** attachment from 2 to 20 mm. diam. complete with nut and shank for locking cone.

**Four (4) ERG32 collets** of the following diameters: (1) 3/4", (2) 1/2", (1) 3/8" unless otherwise specified by customer prior to machine shipment.

## ORIGINAL Design SOFTWARE

### AlphaCAM Essential Router \*

\*the original License is not transferable, software is installed on a office PC.



- **CAD functionality** including lines, arcs, circles, rectangles, polygon, ellipse, typed-in TrueType® text (with editing capability), splines (with editing capability), APS fast geometries, additional special geometries (including bolt hole circle, involute curve, slot, equal spaced holes), digitizing, importing of DXF/DWG/IGES (as surfaces) CAD files, graphic printing and plotting.
- **CAD utilities** including snap to, auto-snap to and ortho modes, coordinate/distance/radius reporting, dimensioning, access to user layers and APS layers, conversion of points to lines or arcs.
- **Editing** functionality including undo, change start point, 2D move, 2D copy, 2D rotate, 2D mirror, scale, stretch, skew, break, trim, explode, join, extend, fillet, chamfer, offset, and group/ungroup; change function, construction to geometry and reverse.
- **Viewing options** include shading or wireframe mode, 3D view, ghost tools, single steps, rapid positioning, and all zoom functions.
- **Machining functionality** includes user defined tool library, tool direction settings (include inside, outside, left and right), vertical rough and finish machining, contour/linear/spiral pocketing with unlimited islands, 3D engraving, drill/peck/tap/bore holes, automatic lead-in/lead-out, G41/42 tool compensation, automatic calculation of speeds and feeds, cut corner options include straight/roll round/loop, add/remove support tags, adjust feed rate around corners, operation and tool path editing, automatic tool path update upon geometry modification (associative machining), machining styles.
- **Simulation functionality** includes shaded simulation.
- **Nesting functionality** includes automatic rectangular and true shape nesting of geometries and/or tool paths picked from the screen and manual nesting.

## AVAILABLE TRAINING

### OPTIONAL ON-SITE TRAINING:

- The entire installation and on-site training process will be completed within 30 labor hours, unless otherwise agreed in writing.
- Our technicians will cover machine operations and preventive maintenance and lubrication procedures while at your facility as part of the installation process.
- Machine safety and operation
- Lubrication procedures and maintenance schedule
- Tooling installation and parameters
- Review of electrical, parts and instruction manuals
- Control cabinet layout and major electrical components
- Processing of your programmed parts

### OPTIONAL Alphacam Essentials Training

- Online training class conducted over three days is interactive and effectively prepares the user for drawing, tool-pathing and posting programs to the machine. Online training avoids the expense and time required for travel and living expenses. PC with high-speed internet connection to be provided by customer.

## MACHINE PRICE & LEASING INFORMATION

### **MACHINE PRICE WITH OUT INSTALLATION AND TRAINING**

**\$ 52,900.00 USD**

*FOB Athens, GA*

*USED EQUIPMENT IS SOLD AS IS WHERE IS*

*Estimated Availability for Delivery: March 2022*

*The AlphaCam software software package is governed by Planit*

*Solution roles and regulation. Their License is not transferable.*

*This Used Equipment can be financed by SCM-Lease*

for information, contact Max Mellon at

Cell: (770) 655-6876

Email: [mmellon@scmgroup.com](mailto:mmellon@scmgroup.com)

Website: <https://sites.google.com/scmgroup.com/scmfinance/online-application>

## MACHINERY ACQUISITION AGREEMENT

This Machinery Acquisition Agreement (this "MAA"), as of the date of the second execution below, is an agreement by and between SCM Group North America ("Seller") and the customer identified below ("Customer").

### Seller:

Marco Canducci Consulting, Inc. (aka MCC-Inc.)  
P.O. Box1339  
Douglasville, GA 30133  
Phone: 770.598.8412  
land line/Fax: 770.947.0623

### Customer:

**Name:** EPCO Industries, Ltd.  
**Address:** 7851 Alderbridge Way  
Richmond, BC Canada V6X2A4 T  
**Phone:** 604.278.5578  
**Fax:** 604.278.7230

**Seller issued Price Quotation 122221\_Ebco (the "Price Quotation") to Customer. The Price Quotation is an integral part of the agreement by and between Seller and Customer and is hereby incorporated in this MAA by this reference. Customer acknowledges receipt of a copy of the Price Quotation.**

If the acquisition of the Machinery is a Purchase (as defined below), then pursuant to the terms and conditions of this MAA and the Price Quotation, Seller hereby sells and Customer hereby purchases the Machinery, as defined in the Price Quotation (the "**Machinery**"). If the acquisition is a Lease (as defined below), then pursuant to the terms and conditions of this MAA, the Price Quotation and Leasing Agreement (as defined below), Seller hereby sells the Machinery to the Leasing Company and Customer leases the Machinery from the Leasing Company.

If Customer purchases the Machinery directly from Seller, then the acquisition shall be referred to as a "**Purchase**". If Customer leases the Machinery from a separate leasing company (the "**Leasing Company**") pursuant to a lease between Customer and the Leasing Company (the "**Leasing Agreement**"), then the acquisition shall be referred to as a "**Lease**".

Approximate Shipping Date (FCA, Rimini Italy) (the "**Shipping Date**") is the later of: (i) the date that is 120-150 days following the date Seller receives Customer's confirmed order and the Down Payment (defined below); and (ii) the date Seller receives the Purchase Price and all other amounts due and payable to Seller. Seller does *not* promise a delivery date.

**Note:** (i) Voltage to the Machinery is as specified in the Price Quotation; (ii) Seller does *not* provide transformers; and (iii) some listed accessories may arrive following delivery of the Machinery to the Customer.

Machinery will be Delivered Duty Paid (as per INCOTERMS), onboard truck to: **FOB Athens, GA**. Customer must arrange for unloading the Machinery from the truck in accordance with Section 7(d) of this MAA. Purchase Price includes installation and training, as described in the Price Quotation, but does *not* include taxes associated with the transaction.

**The Purchase Price shall be paid in cash or wire transfer of immediately available funds as follows:**

- |   |                    |
|---|--------------------|
| • Thirty percent (30%) upon Seller's acceptance of Customer's execution of this MAA (non-refundable if Seller accepts Customer's offer) (the " <b>Down Payment</b> ") | \$15,870.00        |
| • Seventy percent (70%) prior to shipment of Machinery from Athens, GA – Seller will send final invoice (the " <b>Final Payment</b> ")                                | \$37,030.00        |
| • <b>Total Purchase Price</b> (excluding any sales tax)   | <u>\$52,900.00</u> |

If the acquisition is a Purchase, then the Purchase Price shall be paid by the Customer. If the acquisition is a Lease, then the Purchase Price shall be paid by the Leasing Company. The acquisition shall be a Purchase unless: (i) Leasing Company pays fifty percent (50%) or more of the Purchase Price to Seller, or (ii) Seller receives written notification from either Customer or Leasing Company that the acquisition is a Lease.

The MAA includes the additional terms and conditions attached hereto (the "Terms and Conditions"). By signing below, Customer: (i) makes a firm offer to Seller, which Seller may only accept after review and execution of this MAA by an authorized representative of Seller in Duluth, Georgia, and (ii) acknowledges that this MAA governs all of the obligations that Seller owes to Customer with respect to the Machinery. **This document and the Terms and Conditions, along with the Price Quotation, represent the total agreement between Seller and Customer concerning the Machinery, which supersedes any previous written or oral agreement.**

**EPCO Industries, Ltd.**

**Marco Canducci Consulting, Inc.**

By: \_\_\_\_\_  
Printed Name

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Signature

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

1. **Customer signs this page and initials all pages of MAA**
2. **Only an authorized officer can sign on behalf of MCC, Inc.**
3. **Email signed MAA to: marco.canducc@mcc-inc.net**
4. **Remit payment to: Marco Canducci Consulting, Inc.**
5. **Wire payment to:**

**Marco Canducci Consulting, Inc.  
P.O. Box 1339 Douglasville GA, 30133  
c/o Synovus Bank (Chapel Hill Branch)  
2991 Chapel Hill rd.  
Douglasville, GA 30135 - T: 678-715-2400  
Account #: 4080135822  
Routing #: 061100606**



**1. SELLER'S ACCEPTANCE.** If Seller accepts Customer's offer, it will do so only pursuant to the terms and conditions of this MAA. If Customer submits a purchase order or other document, it shall in no way amend or supersede any provision in this MAA, and the terms and conditions of this MAA govern. Seller may deposit any monies received from Customer, pending a determination of whether Seller will accept Customer's offer, and such act shall not constitute acceptance. If Seller rejects Customer's offer, then Seller shall remit, without interest, all such monies.

**2. CUSTOMER'S ACCEPTANCE OF MACHINERY.** Unless Customer sooner notifies Seller in writing, Customer shall be deemed to have effected final acceptance of the Machinery upon the *earliest* of: (i) Customer's use of the Machinery for any purpose other than conducting acceptance testing, (ii) ten (10) days following installation of the Machinery, or (iii) thirty (30) days following delivery of the Machinery if installation was delayed at Customer's request or was necessary because the installation site was not prepared for installation. Any rejection of the Machinery must be in writing and must include a detailed description of the alleged nonconformity with the Price Quotation.

**3. TECHNICAL SERVICE AND INSTALLATION.** Before Seller's technicians depart for Customer's site, Seller must receive Customer's written confirmation that the site preparations specified in the Price Quotation have been completed. If installation is delayed because the installation site is not ready, then Seller will be entitled to delay the installation until its technicians are available.

**4. TAXES.** The Purchase Price does not include any federal, state, provincial, or local property tax, license, privilege, sales, use, excise, gross receipts, value added, or other taxes that may now or hereafter be applicable to, measured by, or imposed upon, or with respect to, any transaction, any property, (including without limitation its sale, its value, or its use), or any services related to this MAA (the "Taxes"). Customer agrees to reimburse Seller for any Taxes that Seller is required to pay. If the parties agree that any person or entity other than Seller will remit any of the Taxes to the proper authority, then Customer shall indemnify and hold Seller harmless from any liability arising out of such Taxes, as well as any interest or penalties related thereto. Any applicable State or Local Sales or Use Tax (the "Sales Tax") will be added to a final invoice that includes the Final Payment. Seller will collect and remit the Sales Tax when required to do so, unless either the Customer or Leasing Company furnishes a valid resale/exemption certificate to Seller relieving Seller of the requirement to collect and remit the Sales Tax. If the certificate furnished to Seller is held invalid, then the party that furnished such certificate to Seller shall pay the Sales Tax (plus all applicable penalties and interest at the rate of the lesser of 1½ percent per month or the maximum rate permitted by law) not collected as a result of relying on such invalid certificate. The sum of the Purchase Price and all other amounts due and payable to Seller pursuant to this MAA, including but not limited to Taxes and Sales Taxes, shall be referred to as the "**Full Purchase Price**".

**5. MODIFICATIONS AND SPECIAL ORDERS.**

**(a)** Modifications to the Machinery that are requested by Customer after Customer executes this MAA shall be deemed to be accepted by Seller only upon Seller's issuance of a written confirmation of its acceptance. Customer shall pay all additional charges and expenses of Seller in connection with such modifications before Seller begins to implement such modifications. Modifications may affect the Shipping Date.

**(b)** If requested by Seller, Customer will send a sample of the material used by Customer at the time of the order. Failure to do so relieves Seller of liability for proper functioning of the Machinery in connection with such material.

**(c)** At any time prior to delivery, Seller may modify the Machinery, provided such modification does not materially adversely affect the Machinery's compliance with the specifications set forth in the Price Quotation and does not materially adversely affect the form, fitness, functions, safety, reliability, performance, and/or maintainability of the Machinery. If Seller intends to modify the Machinery, then Seller shall notify Customer in writing, explaining the changes, the reasons therefore, and the consequences thereof.

**6. INDEMNITY.** Customer shall indemnify, defend, and hold Seller harmless from any claim or cause of action for physical damage to property or personal injury, including death, arising out of, or resulting in any way from, the negligence or willful misconduct of the employees or agents of Customer, including but not limited to damages that are caused, in whole or in part, by: (i) any misuse or modification of the Machinery by Customer, its employees, or its agents, (ii) any act (or failure to act) by Customer, its employees, or its agents, in contravention of any safety procedures or instructions provided to Customer, its employees, or its agents, by Seller, or (iii) the improper storage, installation, operation, or maintenance of the Machinery by Customer, its employees, or its agents.

**7. DELIVERIES AND SHIPPING.**

**(a)** The Shipping Date is approximate and is contingent upon prompt receipt of all necessary information, the Down Payment, and the Second Payment. Seller may ship early. Seller is not obligated to ship the Machinery until Seller has received the Down Payment and the Second Payment.

**(b)** If Customer requests a delay in the Shipping Date or fails to take delivery, the risk and/or responsibility for the care of the Machinery shall remain with Seller, and Customer shall pay Seller for costs incurred by Seller because of such delay or failure, including but not limited to warehousing, storage, and insurance.

**(c)** If Customer requests that the Shipping Date be delayed by more than thirty (30) days, then Seller may: (i) cancel this MAA, (ii) retain any amounts previously received pursuant to this MAA or the Price Quotation up to the maximum of the Down Payment, which Customer agrees is reasonable and just compensation for Seller's damage and not a penalty, (iii) sell the Machinery to another party, and (iv) charge Customer for further damages, if applicable.

**(d)** Seller shall deliver the Machinery to the first carrier. Seller does not promise a delivery date. Customer, at Customer's sole expense, shall make all necessary arrangements, subject to Seller's approval, to unload the Machinery and any component part thereof pursuant to Seller's instructions and using professional riggers, the performance of which shall be the responsibility of Customer.

**8. FORCE MAJEURE.**

**(a)** Seller shall not be liable or otherwise responsible for any default or delay in performance attributable to Force Majeure. "Force Majeure" shall mean acts of God, war, riot, embargoes, acts of civil or military authorities, fire, floods, accidents, quarantine restrictions, factory conditions, strikes, labor disputes, delays in transportation, shortage of transport vehicles, labor or materials, or any other circumstance or cause beyond Seller's reasonable control.

**(b)** If Seller's performance is delayed by any such cause, the Shipping Date or time of completion will be extended by a period reasonably necessary to overcome the effect of such delay.

**9. TERMS OF PAYMENT.**

**(a)** Customer shall pay all amounts payable to Seller when due pursuant to the schedule on the front page of this MAA, time being the essence thereof. Customer's payment of the Full Purchase Price shall be secured by a first-priority security interest that Customer hereby conveys and grants to Seller in the Machinery. Seller shall have all rights of a secured party under Georgia law, with respect to the Machinery. Customer will execute and file any documents necessary to perfect and preserve Seller's security interest in the Machinery. If the acquisition is a Lease, then the term "Leasing Company" shall replace all references to "Customer" in this Section 9(a) only, except that regardless of whether the acquisition is a Purchase or a Lease, neither the Customer nor the Leasing Company shall move the Machinery from its initial installation site until either the Customer or the Leasing Company pays all amounts payable to Seller pursuant to this MAA and Seller fully releases the security interest created pursuant to this Section 9(a).

**(b)** If full payment is not received when due, then (without prejudice to the right of Seller to immediate payment) Customer shall pay interest at the rate of the lesser of 1½ percent per month or the maximum rate permitted by law. If the acquisition is a Lease, then the term "Leasing Company" shall replace all references to "Customer" in this Section 9(b) only.

**(c)** Seller shall have the right to require full or partial payment in advance at any time if, in its opinion, the financial condition of Customer does not justify the terms of payment specified. Without limiting the foregoing, should Customer (i) commence voluntary bankruptcy or similar proceedings, (ii) consent to, or fail to contest in a timely and appropriate manner, any involuntary bankruptcy or similar proceedings, (iii) become insolvent, or (iv) admit its inability to pay its debts, then Seller shall have the right to cancel any order and recover damages from Customer. This Section 9(c) shall not apply if the acquisition is a Lease.

**10. RISK OF LOSS AND INSURANCE.**

**(a)** Risk of loss of the Machinery shall pass from Seller to Customer when Seller puts and holds the Machinery or any component part thereof at Customer's disposition and gives Customer notice thereof. Seller shall bear all risk of loss or damage in transit and shall be responsible to file claims with any carrier for damage occurring during shipment.

**(b)** Customer shall specifically insure the Machinery against "all risks," subject to normal exclusions, from the time the risk of loss passes to Customer, which includes, but is not limited to unloading and installation of the Machinery. If all amounts payable by Customer to Seller are not paid in full to Seller after installation, Customer shall continue to insure the Machinery pursuant to this Section until all amounts payable to Seller are paid in full. The amount of such insurance shall be no less than the Full Purchase Price, with loss first payable to Seller, as Seller's interest may appear. Evidence of such insurance, satisfactory to Seller, shall be submitted by Customer prior to shipment, or Seller may, at Seller's option, procure such insurance at Customer's expense plus interest in the amount of the lesser of 1½ percent per month or the maximum interest permitted by law.

**11. WARRANTY AND LIMITATION OF LIABILITY.**

**(a)** Seller warrants, for a period of one (1) year beginning on the date the Machinery is accepted pursuant to the provisions of Section 2 of this MAA (the "Warranty Period"), that the Machinery will be free of defects in workmanship and materials, excluding belts, bearings, and common electrical parts, which carry a six-month warranty. This warranty does not include parts consumed during normal operation (wearable items), working units, or maintenance required in the ordinary course of operation. Seller shall warrant any replacement spare parts and accessories installed pursuant to this warranty for the period of ninety (90) days. Notwithstanding any other provision of this MAA, Customer has no right to assert a warranty claim, and Seller has no obligation to honor a warranty claim: (i) until the Full Purchase Price has been paid to Seller, or (ii) if Customer is in breach of the Leasing Agreement if the acquisition is a Lease. If the acquisition is a Lease and Customer is in breach of the Leasing Agreement, then such breach shall not toll the running of the

Warranty Period. If any failure to conform to this warranty occurs within the Warranty Period and the Full Purchase Price has been paid to Seller, then upon prompt written notification and written substantiation by Customer that the Machinery has been stored, installed, operated, and maintained in accordance with all reasonable instructions of Seller (including but not limited to the use of recommended tooling) and with standard industry practice, and provided Seller is given reasonable access to the Machinery during normal business hours, then Seller shall take the action described in this Section 11. If, upon receiving the aforementioned notification, Seller concludes that the nonconformity is a valid warranty claim and can be remedied by replacing one or more parts of the Machinery and said replacement requires neither specialized training nor a significant time commitment, then Seller shall, at its expense, ship said part or parts to Customer and provide Customer the telephonic consultation necessary to assist Customer in replacing said part or parts. If such replacement fails to correct the nonconformity, or if, upon receipt of the aforementioned notification, Seller concludes that the nonconformity is a valid warranty claim and cannot be remedied as described above, then Seller shall, at its expense, perform, or direct subcontractors to perform, all work necessary to correct such nonconformity by either repairing or, at Seller's option, replacing any defective work. This warranty shall not obligate Seller to perform any work required to provide working access to a defect, including but not limited to the removal, disassembly, replacement, or reinstallation of the Machinery, or any materials, or structures that are not part of the Machinery, if such activities must be undertaken solely to provide such access to the defect. If Customer alters or attempts to repair the Machinery, or causes same to be effected, other than as specifically set forth in this Section 11, then the warranty set forth in this Section 11 shall be void.

**(b)** Seller warrants that the Machinery shall be free of the rightful claim of any person arising from patent or trademark infringement. Seller shall indemnify Customer against any liability arising from successful claims of patent or trademark infringement in connection with the Machinery or on account of any composition, process, invention, article, or appliance used or furnished by Seller in the performance of this MAA. Seller shall defend any actions brought against Customer for any such claim and shall pay any judgment that may be awarded against Customer for such claim. Seller shall have the right to participate in, or assume exclusively, the defense of any such claim or action.

**(c)** The Machinery shall be subjected to no test procedures other than those agreed to by Seller. Payment of the Full Purchase Price shall not be contingent upon the results of any unauthorized testing procedures. Before any test may be used to evaluate the Machinery, Customer shall: (i) provide Seller with reasonable written notification of such test, (ii) allow Seller to be present during such test, and (iii) receive Seller's consent to the conditions of such test, which consent will not be unreasonably withheld. If a test is performed on the Machinery, and Seller has not consented to the conditions of such test, then the warranty set forth in this Section 11 shall be void.

**(d)** If Customer makes a warranty claim that proves to be invalid, then Customer shall pay Seller all of Seller's expenses incurred in connection with the investigation of said invalid claim and any work performed by Seller.

**(e) THE REMEDIES SET FORTH IN THIS SECTION 11 ARE THE SOLE REMEDIES OF CUSTOMER FOR ANY FAILURE OF SELLER TO COMPLY WITH ITS OBLIGATIONS PURSUANT TO THIS MAA, INCLUDING ANY BREACH OF WARRANTY.** Correcting any defect in the manner and during the Warranty Period, and, if necessary, defending Customer in the manner set forth in Section 11(b), shall constitute complete fulfillment of all the obligations and liabilities of Seller with respect to, or arising out of, this MAA, regardless of whether a claim is based in contract law, tort law (including negligence, strict liability or otherwise), or other legal theory.

**(f) THE WARRANTIES SET FORTH IN THIS SECTION 11 ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS, OR IMPLIED. EXCEPT AS SET FORTH IN THIS SECTION 11, SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR ANY WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE.** Any other oral or written statements, whether contained in general advertising or other printed material, do not constitute warranties, and Customer agrees that it is not entering into this MAA in reliance upon any such statements.

**(g)** Seller shall not be liable for any special, indirect, incidental, or consequential damages of Customer, including but not limited to any loss of use or under-utilization of labor or facilities or any loss of revenue or anticipated profits, regardless of whether such purported liability is based in contract law, tort law (including negligence, strict liability, or otherwise), or other legal theory.

**(h)** Customer's failure to comply with the provisions of this MAA (including but not limited to payment of the Full Purchase Price if the acquisition is a Purchase) shall, *inter alia*, render the warranty set forth in this Section 11 voidable at Seller's discretion; provided, however, the exclusion in Section 11(f) of this MAA still applies.

## 12. DEFAULT.

**(a)** Customer shall be deemed in default of this MAA if any one or more of the following occur: (i) Customer refuses or communicates an intent to refuse acceptance of delivery of

the Machinery; (ii) Customer fails to make any payment in cash when due if the acquisition is a Purchase; (iii) Customer breaches the Leasing Agreement if the acquisition is a Lease; (iv) Customer breaches any other agreement with either Seller or, if the acquisition is a Lease, with the Leasing Company; (v) Seller, at Seller's option, deems itself insecure; or (vi) Customer breaches any provision of this MAA.

**(b)** If Customer is deemed in default pursuant to Section 12(a)(i) above, Customer acknowledges that the Machinery is built pursuant to custom and unique specifications based upon Customer's specific needs, which are established in the Price Quotation, and the Machinery cannot easily be resold in the market to a third party if Customer breaches this MAA. Accordingly, due to the custom nature of the Machinery, Customer acknowledges that if Customer breaches Section 12(a)(i) above, Seller's damages would be difficult to prove and agrees that the amount of forty percent (40%) of the Purchase Price ("**Damages**") shall constitute liquidated damages as a fair and reasonable estimate of Seller's partial loss and not a penalty, payable immediately upon demand to Seller. Seller may retain any amounts received from Customer pursuant to this MAA, including but not limited to the Down Payment and Second Payment, as payment for the Damages, and shall refund to Customer any amounts received from Customer pursuant to this MAA in excess of the Damages, if any.

**(c)** If Customer is in default pursuant to this Section 12, then upon written demand by Seller to Customer, Seller shall have the right to immediate possession of the Machinery, which Customer agrees to peacefully tender to Seller, or, in the sole discretion of Seller, the entire unpaid balance shall become immediately due and payable. Seller shall have all the rights and remedies of a purchaser or secured party, as established or permitted upon agreement by the Uniform Commercial Code, and all other rights as established in this MAA, which rights and remedies shall be cumulative. The standard by which fulfillment of rights and duties is to be measured shall be in the reasonable commercial judgment of Seller.

**(d)** A waiver by Seller of any breach or default shall not constitute a waiver of any subsequent breach or default.

**(e)** If Seller prevails in any legal action, arbitration or other proceeding related to this MAA, then Customer shall reimburse Seller for Seller's reasonable attorneys' fees, court costs, litigation expenses, and any other costs that Seller incurs in connection with such proceeding, including but not limited to costs of collection. This relief is in addition to any other relief to which Seller is entitled.

**13. ASSIGNMENT.** The rights and liabilities of the parties to this MAA shall inure to the benefit of, and be binding upon, their respective successors and assigns, although neither this MAA nor the rights or obligations of Customer under this MAA shall be assignable or transferable, either in whole or in part, without the prior written consent of Seller (which consent can be granted or withheld at the sole discretion of Seller).

**14. WAIVER.** No waiver by either party of any breach or obligation of the other party shall constitute a waiver of any other prior or subsequent breach of obligation.

**15. GOVERNING LAW.** This MAA shall be governed, construed, and enforced in accordance with the laws of the State of Georgia.

**16. CONSENT TO JURISDICTION.** If a suit is brought to enforce any requirements of this MAA, Customer hereby consents to the jurisdiction of the courts of the State of Georgia and of the United States having jurisdiction in the County of Gwinnett, State of Georgia, with respect to any dispute arising out of, in connection with, or relating to this MAA and waives all objections to such jurisdiction, including but not limited to any based on *forum non conveniens* or improper venue.

**17. ARBITRATION.** If a dispute arises between the parties, and the parties are unable to resolve it between themselves, then the matter may only be resolved by arbitration before a single arbitrator. Such arbitration shall be conducted in Atlanta, Georgia, by the American Arbitration Association ("**AAA**") and in accordance with the commercial rules of the AAA, as from time to time amended. The decision of the arbitrator shall be in writing, shall be signed by the arbitrator, and shall include findings of fact and a statement regarding the reasons for the arbitrator's decision.

**18. ENTIRE AGREEMENT AND MODIFICATION.** This MAA is not a valid or binding obligation unless a Price Quotation that specifically identifies the Machinery is issued to Customer. This MAA, the Price Quotation and the Leasing Agreement (if the acquisition is a Lease) sets forth the entire agreement and understanding between the parties on the subject matter hereof and supersedes all prior discussions, negotiations, and/or written or verbal agreements between them. Customer acknowledges that neither Seller nor anyone on Seller's behalf has made any representation, inducements, promises, or agreements, orally or otherwise, relating to the subject matter of this MAA or the Price Quotation that are not embodied herein. Neither of the parties shall be bound by any conditions or definitions with respect to the subject matter hereof, other than as provided herein. No change or modification of this MAA shall be valid unless the modification is in writing and signed by both parties.

**19. SEVERABILITY.** A judicial or administrative declaration in any jurisdiction of the invalidity of any one or more of the provisions of this MAA shall not invalidate the remaining provisions of this MAA in any jurisdiction, nor shall such declaration have any effect on the validity or interpretation of this MAA outside that jurisdiction.