

Dear Valued Customer,

Thank you for your interest in adding SJF Material Handling, Inc as your valued supplier. It is our top priority to offer you not only top quality product and services but superior customer service. Through establishing a line of credit with SJF, you or your company will be able to expedite your order(s) by minimizing pre-payment requirements prior to order acceptance and processing.

To establish a credit line with our company we require the following:

1. Signed acceptance of SJF Standard Terms and Conditions (STC)
  - a. Note – any changes to the STC will delay the processing of your application or possible void it.
2. Credit Application to be filled out in its entirety including a signature of an officer of your company authorized to establish credit for application Or D-U-N-S Number.

The Dun & Bradstreet D-U-N-S® Number is a unique nine-digit identifier for businesses that is associated with a business's Live Business Identity which may help evaluate potential partners, seek new contracts, apply for loans, and so much more.
3. If you are exempt from sales tax. Please send valid sales tax exemption certificate to [salestax@sjf.com](mailto:salestax@sjf.com)

After receiving the above information, we will be in a better position to determine the acceptance of your application. We are cognizant of the fact that the information we require from you may be sensitive and you may not be comfortable sharing it, however, we will take all efforts to keep the information private and will not share or sell any portion of your application.

Again, we thank you for considering SJF for your material handling equipment and service needs. We promise you, we will make every effort to offer you the best customer service at all times.

Sincerely,

SJF Material Handling Inc.  
Ed Salonek  
CFO

# SJF Material Handling Inc.

## Application for Credit

Date \_\_\_\_\_

Name of Applicant (include legal name of business if you use a tradestyle please) \_\_\_\_\_ DUNS NO \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_ Email \_\_\_\_\_

Physical Address Street City State Zip

Billing Address Street City State Zip

CORPORATION Year Established \_\_\_\_\_ Year Present Control began \_\_\_\_\_ State of Inc. \_\_\_\_\_  
If not publicly traded, please list all shareholders owning more than 10% of capital stock or attach a listing

President \_\_\_\_\_  
Name Residence Address Telephone

Vice President \_\_\_\_\_  
Name Residence Address Telephone

Treasurer \_\_\_\_\_  
Name Residence Address Telephone

Shareholders \_\_\_\_\_  
Name Residence Address Telephone

PARTNERSHIP Year Established \_\_\_\_\_ Please list all General Partners below or attach a listing

Partner \_\_\_\_\_ % \_\_\_\_\_  
Name Residence Address Telephone

Partner \_\_\_\_\_ % \_\_\_\_\_  
Name Residence Address Telephone

Partner \_\_\_\_\_ % \_\_\_\_\_  
Name Residence Address Telephone

LIMITED LIABILITY COMPANY Year Established \_\_\_\_\_ Please list all members below or attach a listing

Chief Manager or Executive Officer \_\_\_\_\_  
Name Residence Address Telephone

Treasurer \_\_\_\_\_  
Name Residence Address Telephone

Members \_\_\_\_\_  
Name Residence Address Telephone

SOLE PROPRIETORSHIP Year Established \_\_\_\_\_

Owner's Name Residence Address Telephone

PLEASE ANSWER THE FOLLOWING QUESTIONS:  
For purposes of answering the questions below, the term "principal" includes all individuals listed above.

1. Have any of the principals purchased from us under any other name or tradestyle? \_\_\_\_\_ If yes, please list.  
\_\_\_\_\_

2. Have any of the principals listed above ever been involved in any business or personal dealings that have resulted in bankruptcy proceedings?  
\_\_\_\_\_ If yes, please explain and list case number. \_\_\_\_\_

3. Do any of the above listed principals own any other active businesses? \_\_\_\_\_ If yes, please provide the company names to help us with our credit investigation and the identifying information requested above with respect to each particular type of entity.

\_\_\_\_\_

4. If your company is less than two years old, where were the principals working before this company was formed? Please provide the name of the businesses and the identifying information listed above with respect to each particular entity, and the time period as to when the principals were working for the particular entity. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**BANK AND TRADE REFERENCES**

**PRIMARY BANK** \_\_\_\_\_  
 Name \_\_\_\_\_ Mailing Address \_\_\_\_\_  
 Officer's Name \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_  
 Checking ACCT# \_\_\_\_\_ Borrowing ACCT# \_\_\_\_\_

**TRADE REFERENCES**

1.	_____	_____	_____	_____
	Name and Residence Address	Telephone	Fax	e-mail
2.	_____	_____	_____	_____
	Name and Residence Address	Telephone	Fax	e-mail
3.	_____	_____	_____	_____
	Name and Residence Address	Telephone	Fax	e-mail
4.	_____	_____	_____	_____
	Name and Residence Address	Telephone	Fax	e-mail

**TERMS & CONDITIONS**

**TERMS & CONDITIONS OF SALES**

> Acceptance - Buyer's purchase order, acknowledged hereby as an offer of an agreement for the purchase of goods or services, is accepted subject to the following terms and conditions of sale or other such terms and conditions as may be approved in writing by SJF Material Handling, Inc. ("SJF").

> Terms - All payments must be made in cash in advance of shipment unless credit is arranged prior to shipment, then terms are NET 10 days, unless otherwise noted on the invoice. All prices shown are F.O.B. SJF's facility in Winsted, Minnesota, and unless otherwise stated do not include cartage, insurance charges, taxes, impost or other similar charges.

> Routing - Shipments will be routed "Best Way", transportation charges collect unless preferred routing is otherwise specified.

> Title; Loss or Damage in Transit - All goods subject to this purchase order will be shipped F.O.B. SJF's facility in Winsted, Minnesota, and title to the goods and risk of loss passes to Buyer upon delivery F.O.B. SJF's facility in Winsted, Minnesota unless otherwise specified on the face of this purchase order or in a separate written agreement with SJF. Carrier acts as Buyer's agent, and Buyer shall be responsible for all expenses incurred by SJF for the delivery of said goods. SJF shall not be liable for losses, damages or delays occurring in transit. Claims for loss or damage should be made directly to the carrier immediately upon discovery by Buyer. Buyer shall deemed to have accepted the goods upon the earlier of (a) any conduct by Buyer that is inconsistent with SJF's ownership of the goods, or (b) the passage of three business days after delivery of the goods to Buyer and Buyer having given no notice to SJF within that period that the goods do not conform to the description thereof set forth on the invoice.

- > SJF Delay in Delivery - When date of delivery is given, SJF will make every effort to make shipments as near that date as possible, but SJF will assume no responsibility for any loss or inconveniences caused by non-delivery at specified time.
- > Circumstances Beyond SJF Control - SJF shall not be liable for failure to deliver or for delay in delivery of all or any part of the goods ordered herein by reason of any act of God, war, civil commotion, labor troubles, fire, explosion, windstorm, fire, reduced supply of raw materials, order of any governmental agency, or any cause whatsoever beyond the control of SJF which interferes with the production, consumption, or transportation of said goods.
- > Returned Goods - Goods shipped as ordered cannot be returned unless authorized by SJF in writing, which authorization will be at SJF's sole discretion. If returned merchandise is so authorized, the merchandise must be returned freight prepaid and a 25% service charge will apply.
- > Security Interest - As collateral security for the due and punctual payment by Buyer of all amounts payable by it either under this Agreement or on account of any purchase of goods from SJF, Buyer hereby grants to SJF a purchase money security interest in all goods now purchased or hereafter acquired by Buyer from SJF together with the proceeds (including, without limitation, proceeds under insurance policies) thereof, and in all right, title and interest or Buyer in and to all instruments and other documents, whenever arising, covering or relating to such goods, additions and accessions thereto and proceeds and all rights, remedies and claims of Buyer under or with respect to such goods, additions and accessions thereto and proceeds and all rights, remedies and claims of Buyer under or with respect to such documents, whether now existing or hereafter arising. SJF shall have all the rights, powers, privileges and remedies with respect to such collateral as shall be permitted for a secured party under the Uniform Commercial Code of the State of Minnesota as in effect from time to time. Buyer agrees that SJF may execute, file, and refile such documents as SJF may reasonably deem necessary or appropriate to carry into effect the purpose of this section or to better assure and confirm to SJF its rights, powers and remedies under this Section. Buyer hereby authorizes SJF, in its discretion, to file financing statements and similar documents relative to all or any part of the collateral without the signature of Buyer wherever permitted by law and with the signature of Buyer executed by SJF's agent as Buyer's attorney-in-fact wherever permitted by law.
- > Software - If computer software is included with or a component of any of the goods subject to the attached purchase order, such software will be subject to a separate software license agreement, the terms of which the Buyer will agree to prior to using the software. If there is any conflict between the terms of this agreement or the terms of any software license, the terms of the software license will control.
- > **WARRANTY: SJF WARRANTS ITS GOODS DELIVERED HEREUNDER TO BE FREE FROM DEFECTS IN MATERIALS AND WORKMANSHIP. THIS WARRANTY SHALL RUN TO BUYER AND/OR ITS CUSTOMERS. THIS WARRANTY SHALL NOT APPLY TO ANY GOODS SOLD HEREUNDER WHICH SHALL HAVE BEEN IMPROPERLY INSTALLED OR SUBJECTED TO MISUSE OR NEGLIGENCE OR WHICH HAS BEEN REPAIRED OR ALTERED EXCEPT BY SJF'S ACCREDITED REPRESENTATIVE, NOR TO ANY GOODS WHICH HAVE BEEN SUBJECTED TO ACCIDENT. NO WARRANTY IS GIVEN WITH RESPECT TO ANY APPARATUS, INSTRUMENT, COMPONENT, SOFTWARE OR ACCESSORY NOT MANUFACTURED BY SJF, OR AS TO ANY GOODS WHICH ARE MANUFACTURED BY SJF BUT WHICH IS INSTALLED OR OTHERWISE SUBJECTED TO USAGE WITH ANY APPARATUS, INSTRUMENT, COMPONENT, SOFTWARE, OR ACCESSORY NOT MANUFACTURED BY SJF AND NOT APPROVED IN WRITING BY SJF AS APPROPRIATE FOR USAGE WITH THE GOODS SOLD THEREUNDER. EXCEPT AS EXPRESSLY STATED HEREINABOVE, IN THIS PARAGRAPH AND NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN OR OTHERWISE, SJF'S GOODS ARE OFFERED AND SOLD "AS-IS WHERE-IS," "WITH ALL FAULTS" WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR OF ANY OTHER KIND WHATSOEVER PERTAINING THERETO.**
- > **LIMITATION OF LIABILITY: SJF'S LIABILITY WITH RESPECT TO ANY CLAIM OF ANY KIND FOR LOSS OR DAMAGE ARISING OUT OF, RESULTING FROM OR CONCERNING ANY ASPECT OF THE OFFERING AND SALE, BY SJF OF ANY GOODS OR SERVICES TO BUYER IS EXPRESSLY LIMITED TO WHICHEVER OF THE FOLLOWING MEASURES SJF, IN ITS SOLE DISCRETION, SHALL DETERMINE TO BE APPROPRIATE:**
  - (A) REPAIR OF DEFECTIVE OR NON-CONFORMING GOODS;
  - (B) REPLACEMENT OF DEFECTIVE OR NON-CONFORMING GOODS;
  - (C) REPERFORMANCE OF ANY NON-CONFORMING SERVICES; OR

**(D) REFUND OF THE PURCHASE PRICE PAID IN RESPECT OF DEFECTIVE OR NON-CONFORMING****GOODS.**

**SJF'S LIABILITY AS AFORESAID SHALL BE APPLICABLE ONLY AS REGARDS SUCH DEFECTIVE OR NON-CONFORMING GOODS AS ARE RETURNED TO SJF WITHIN TWELVE MONTHS OF THE DATE OF SHIPMENT. THE REMEDIES PROVIDED HEREINABOVE IN THIS PARAGRAPH SHALL CONSTITUTE BUYER'S SOLE AND EXCLUSIVE REMEDIES FOR LOSS OR DAMAGE ARISING OUT OF, RESULTING FROM OR CONCERNING ANY ASPECT OF THE OFFER OR SALE BY SJF OF ITS GOODS OR SERVICES TO BUYER, AND SJF SHALL NOT UNDER ANY CIRCUMSTANCES (WHETHER AS A RESULT OF BREACH OF CONTRACT, BREACH OF WARRANTY, TORT OR OTHERWISE) BE LIABLE TO, AND BUYER SHALL DEFEND, INDEMNIFY AND HOLD SJF HARMLESS, AS IS PERMITTED BY APPLICABLE LAW, FOR ANY CONSEQUENTIAL, INCIDENTAL, PUNITIVE, EMEPLARY OR OTHER DAMAGES OF ANY KIND OR MANNER, INCLUDING WITHOUT BEING LIMITED TO, LOSS OF PROFITS OR REVENUES, LOSS OF USE OF OR DAMAGE TO PRODUCTS OR EQUIPMENT, COSTS OF CAPITAL OR COST OF SUBSTITUTE FACILITIES OR SERVICES, EVEN IF SJF SHALL HAVE KNOWLEDGE OF THE POSSIBILITY OF SUCH POTENTIAL LOSS OR DAMAGE AND NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY, TO THE FULLEST EXTENT PERMITTED BY LAW. IN ADDITION, SJF SHALL NOT BE LIABLE TO BUYER FOR AND BUYER SHALL DEFEND, INDEMNIFY AND HOLD SJF HARMLESS, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, WITH RESPECT TO ANY LIABILITY, LOSS, CLAIM, DAMAGE OR EXPENSE OF ANY KIND OR NATURE CAUSED OR ALLEGEDLY CAUSED DIRECTLY OR INDIRECTLY BY (A) THE POSSESSION, USE OR PERFORMANCE OF THE GOODS BY BUYER OR BUYER'S EMPLOYEES, AGENTS, AFFILIATES OR CUSTOMERS, AND (B) INJURIES TO PERSONS OCCURRING DUE TO THE ACTS OR NEGLIGENCE OF BUYER AND/OR THIRD PARTIES.**

**CREDIT APPROVAL**

> In order to establish a credit line (if requested by Buyer), Buyer hereby authorizes SJF to check information submitted by Buyer as well as all other sources available and to answer questions about Buyers credit experience.

> SJF reserves the right at any time to revoke any credit extended to Buyer because of Buyer's failure to pay for any goods when due or for any other reason deemed good and sufficient by SJF and in such event to insist upon (i) immediate payment of any outstanding invoices and (ii) payment prior to shipment of any remaining merchandise.

**ADDITIONAL TERMS AND CONDITIONS FOR SYSTEMS AND INSTALLATIONS.** The following terms and conditions will apply if Buyer engages SJF to perform any installation services on Buyer's premises:

> **Construction Area** - Buyer will provide SJF with a free and clear construction site. All material and/or construction trades not directly connected with the construction shall be removed from the area, and any work performed by SJF to clear the construction area will be paid for by the Buyer. Buyer will furnish SJF with adequate electrical power to efficiently operate the power tools required for the installation. SJF will furnish 100 feet of extension cord per power tool required, and Buyer is to provide the adequate outlets within the 100 feet perimeter. Buyer shall provide SJF with water, lighting, heating, sanitary facilities, fire protection equipment, and/or security watch, as may be required, at no expense to SJF.

> **Unloading, Spotting, and Storage** - Buyer will provide SJF with adequate unloading facilities, truck docks, truck dock boards capable of supporting lift truck equipment, and sufficient access to same to insure SJF's efficient unloading procedure. Any demurrage charges for rail or truck shipments, or excessive unloading costs, caused by inadequate facilities or SJF's access to same, shall be paid in full by the Buyer. Buyer shall provide SJF with adequate covered storage area for the component parts of the material supplied immediately adjacent to the construction area. Adequate aisle shall be provided by the Buyer to provide efficient handling of the materials from the unloading or storage areas to the construction site. Should the Buyer elect to unload the material, it shall also spot the material in the construction area as required by SJF, and all equipment and labor to spot said material will be furnished by the Buyer at no cost to SJF. Should SJF be required to unload the material, SJF will schedule the arrival of the material, men and equipment.

> **Commencement of Installation at Job Site** - SJF will not be obligated to commence work at job site until receipt of written notice from Buyer that Buyer's building is ready for use and necessary utilities and equipment are supplied thereto. Installation of machines and other equipment sold by SJF, unless otherwise specified, shall be at Buyer's expense.

- > Changes in Work - Should the Buyer order changes in the work, such orders and adjustments shall be made in writing to SJF. The contract price shall be adjusted according to the changes in the work specified. In addition, all claims by SJF for any extra work will be made in writing before the execution of the work.
- > Cleaning Up - SJF shall keep the premises clean from accumulation of waste material directly resulting from SJF's work or Sub-Contractor's work, and at the completion of the work, shall leave the premises broom clean. Removal of all rubbish, implements and surplus material from the premises is at Buyer's expense.
- > Inspection of Work - SJF shall permit and facilitate inspection of the work by Buyer, its agents, and/or public authorities during normal business hours.
- > Floors - Buyer is responsible for the load bearing capacity of the floor upon which the proposed installation shall be constructed. Buyer shall pay for all material and labor required to shim the proposed installation due to an uneven floor surface in excess of plus or minus 1/4" elevation variation over the entire floor area. Any costs incurred by SJF for drilling anchor holes as a result of interference with reinforcing rods, mesh or other materials or due to hard to tough anchor receiving materials shall be paid by the Buyer.
- > Surveys, Permits, and Regulations - Buyer shall procure and pay for all permits and/or inspections required by any government authority for any part of the work by SJF. Buyer shall also furnish any bonds or security deposits as required by SJF to permit the performance of the work.
- > Performance of Work - With respect to SJF's performance, if either before or after SJF's work has commenced it is discovered that any of the conditions specified above do not prevail, then the erection crew foreman may, in his discretion and at the Buyer's expense, have the crew perform such work as may be necessary or appropriate in order that the specified conditions may be brought about, or may delay the beginning of the work, or if already begun, may discontinue the work and if he considers it impracticable to keep the erection crew on the site, may have the crew depart from the site. All extra costs incurred by SJF as a result of the non-existence of any one or more of the conditions mentioned above, including the work done by the erection crew in correcting any of said conditions, and the costs incurred by reason of the crew's leaving the site and later returning to the site when the required conditions prevail, shall be paid by the Buyer. All material and equipment for testing the installation shall be provided at Buyer's expense. At the time when SJF states to the Buyer that the work is complete, the Buyer will inspect the work, and if the work is in conformity with the terms and provisions of the proposal, the Buyer shall accept the same and deliver to SJF a signed statement of acceptance. If the Buyer refuses to sign such a statement, then the Buyer shall immediately inform SJF in writing of the reasons for such refusal. If the Buyer fails to so notify SJF, or if the Buyer fails to make such inspection, the work shall be conclusively deemed to have been accepted by the Buyer.
- > Overtime - any fixed quote overestimate made by SJF is based on a normal eight hour working day and no provision has been made for overtime or shift premium pay. Should the Buyer request overtime or shift work, such request shall be made in writing to SJF. Buyer will reimburse SJF for any premium pay plus applicable federal and state payroll taxes, compensation and liability insurance premiums, union fringe benefits and supervisory premiums resulting from overtime or shift work requested plus reasonable profit.

#### CONDITIONS OF SALE

- > This Agreement constitutes the entire agreement between SJF and Buyer with respect to the subject matter and supersedes any and all prior or contemporaneous understandings or agreements relating thereto, whether written or oral. No manager, officer, employee, representative, agent, or affiliate of SJF has the authority to modify this Agreement orally, or make any other oral agreement, on behalf of SJF.
- > Consent To Minnesota Law, Jurisdiction And Venue; Waiver of Jury Trial - Buyer agrees that this Agreement has been negotiated within McLeod County, Minnesota and finally executed within McLeod County, Minnesota, and that, accordingly, suit by either of the parties pursuant to this sale shall be governed by, and construed in accordance with the laws of the State of Minnesota, and Buyer agrees that the venue for any such litigation shall be McLeod County District Court, McLeod County, Minnesota. BUYER DOES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED ON OR WITH RESPECT TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.
- > Remedies - SJF may exercise any right or remedy available to it by law or by agreement, and may recover legal fees and other expenses incurred by reason of Buyer's default under this Agreement or the exercise of any remedy hereunder, including expenses related to the repossession, repair, storage, transportation, and disposition of the goods.

- > Charges of interest to past due accounts - Buyer agrees to pay interest of 18% annually, or the highest rate allowed by applicable law if less, on late accounts that are more than 30 days past due.
- > Cancellations - Orders are not subject to cancellation, except with SJF consent, and upon terms and conditions that will indemnify SJF against all loss.
- > Errors - SJF and Buyer agree that any clerical and stenographic errors in any purchase order or similar writing which are established by clear and convincing evidence to incorrectly reflect the agreement of the parties are subject to correction.
- > Taxes - Buyer is responsible for paying sales and use tax or any other taxes, levies, fees, withholding taxes or any other taxes which may be imposed on any and all orders and services subject to this Agreement unless Buyer provides evidence to SJF that it is exempt from paying all such taxes within the appropriate jurisdictions. In event SJF pays any tax or is assessed any tax which is Buyer's obligation hereunder, Buyer shall fully reimburse SJF immediately upon written notification for such amount plus any interest, fees, expenses or penalties with respect thereto.
  
- > Legal Construction - In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof, and this document shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. This Agreement has been jointly drafted by the parties and may not be construed against any party on the basis that the party was the draftsperson.
- > Binding Effect - The terms and conditions shall be binding upon and insure to the benefit of the parties hereto and their respective heirs, representatives, successors and assigns, including, but not limited to, any third party transferee that purchases from either SJF or the Buyer substantially all of the assets of either SJF or the Buyer's company.

SJF is a trademark of SJF Material Handling, Inc.

\_\_\_\_\_  
*Authorized Person*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Date*