



**\*\*ATTENTION\*\***

THE FOLLOWING TERMS AND CONDITIONS OF SALE (COLLECTIVELY REFERRED TO AS THE "AGREEMENT") SHALL BE BINDING UPON THE CUSTOMER AND MORGAN AND THERE SHALL BE NO MODIFICATIONS OR AMENDMENTS TO THIS AGREEMENT WITHOUT THE EXPRESS WRITTEN CONSENT OF MORGAN.

**STANDARD SALES AGREEMENT TERMS AND CONDITIONS**

- 1. Acceptance.** Acceptance of a Morgan quote by Customer must be made on the exact terms and conditions included or referenced thereon. Any additional or different terms proposed by Customer in any document are hereby objected to and rejected. Acceptance by Morgan of a customer's copy of a Morgan Quote, acknowledgement of acceptance by Morgan of a customer's order via electronic or other means, or acceptance of delivery of the Morgan body, completed vehicle, materials and/or articles (the "Goods") covered hereby by customer (F.O.B. Morgan's plant unless otherwise provided on the face of a Morgan Quote or Morgan Sales Agreement) shall constitute acceptance of this offer by customer in accordance with the exact terms and conditions set forth herein, absent written assent by Morgan to other proposed terms.
- 2. Prices.** Prices set forth on a Morgan quote shall remain firm if: (i) a quote is accepted in writing within sixty (60) days after the date set forth on the quote, and (ii) Morgan receives the chassis, and all customer supplied material (if any) required to produce the Goods, within ninety days (90) days after the date of acceptance of the quote. If either of the foregoing two conditions are not timely met, then Morgan may adjust prices, and the final prices shall be those set forth in writing by Morgan as of the date Morgan has received the chassis and all customer supplied material (if any). Notwithstanding the foregoing, Morgan reserves the right to increase the quoted prices based on inflationary cost increases as of the date of Morgan's receipt of the chassis and all customer supplied material (if any). In the occurrence of Goods ordered without chassis (i.e., flat-bed pick-ups/deliveries), Morgan reserves the right to increase the quoted prices based on increases in prices charged to Morgan by its suppliers anytime up to start of production of the Goods.
- 3. Release of Goods and Surcharges.** While the Goods remain on Morgan's premises, Morgan shall maintain the same degree of care, but no less than reasonable care, for Customer's Goods as it does for its own similar Goods. Morgan shall give Customer a notice of release of the Goods (a "Release Notice") and Customer shall remove, or authorize Morgan to remove, the Goods from Morgan's premises within five (5) days of the date thereof. Notwithstanding the foregoing, Customer shall assume all responsibility for the Goods, including but not limited to damage (including Acts of God) or vandalism following fourteen (14) days of Notice of Release. Morgan reserves the right to assess a storage fee of \$25 per day for each day the Goods remain on Morgan's premises beyond fourteen (14) days following a Release Notice. Goods remaining on Morgan's premises after forty-five (45) days of a Release Notice will be delivered to Customer at Customer's expense.

4. **Payment and Credit Approval.** In addition to the purchase price and surcharges for the Goods stated herein, Customer shall pay to Morgan the amount of any and all excise, sales, privilege or other taxes (whether state or federal) which are payable by reason of the sale or delivery of the Goods. The Customer shall pay for the Goods within thirty days after date of invoice (unless otherwise provided for on the face of this form) in US dollars. Should the bank or other depository on which the

Customer's check is drawn or any intermediary bank charge a service or other fee with respect to payment due hereunder, the Customer shall pay the full amount of such fee. If payment is not made within thirty days (unless otherwise provided for on the face of this form) after date of invoice, interest on the outstanding balance will be charged at the rate of 1 1/2% per month, compounded monthly. If the charging, compounding or payment of such amount of interest is illegal under any applicable authority, interest will be charged, compounded and paid at the highest legal rate then in effect. Shipments and deliveries of Goods shall, at all times, be subject to the approval of Morgan's Credit Department. Morgan may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment or security or upon terms and conditions satisfactory to such Department. If payment by check has been approved by Morgan, the obligation represented thereby shall be automatically reinstated if the item is dishonored upon the first presentation for payment in proper form and in time.

5. **Delivery, Title and Risk of Loss.** All Goods sold hereunder are to be shipped F.O.B. Morgan's plant (unless otherwise provided for on the face of this form). Title to the Goods covered hereby shall vest in the Customer upon delivery or tender thereof by Morgan to Customer, Customer's agent, or any carrier for shipment to Customer, whichever occurs first. Risk of loss shall shift with title to the Goods.

6. **Warranty: Exclusion of Other Warranties.** Morgan will furnish a separate written Warranty Statement to Customer at time of delivery. Morgan's responsibility for fulfillment of warranty will be limited to the express terms and conditions of this Warranty Statement. **THE WARRANTY REFERRED TO IN THIS PARAGRAPH SHALL BE IN LIEU OF ANY OTHER WARRANTY, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. THERE ARE NO OTHER WARRANTIES, EXPRESS OR IMPLIED.** Oral statement made by Morgan's agents do not constitute warranties, shall not be relied upon as such by Customer, and are not part of this sales agreement. If Customer experiences difficulties believed to be covered by Warranty, he should communicate with Morgan immediately. **MORGAN WILL NOT BE RESPONSIBLE FOR PAYMENT OF ANY CHARGES INCURRED BY CUSTOMER FOR CORRECTION OF DEFICIENCIES COVERED BY WARRANTY UNLESS EXPRESS WRITTEN AUTHORIZATION HAS BEEN GRANTED FOR THE PERFORMANCE OF THIS WORK. IN NO EVENT WILL MORGAN BE LIABLE FOR ANY CONSEQUENTIAL OR INCIDENTAL DAMAGES ARISING OUT OF ANY BREACH OF THIS WARRANTY.**

7. **Indemnity.** While the Goods are in Customer's care, custody, and control, Customer shall indemnify, save harmless and defend Morgan from and against any and all claims, losses, damages, costs and expenses, including reasonable attorney

fees, arising from or related to any claim for personal injury, death, or property damage resulting from Customer's modification of the Goods or Customer's failure to properly maintain or use the Goods pursuant to manufacturer's instructions as outlined in Morgan's or other component manufacturers' Owner's Manual(s).

8. **Tolerances.** Goods sold hereunder shall be subject to Morgan's standard manufacturing variations, tolerances, and classifications. Where overall specifications are based on truck specifications supplied by Customer or truck manufacturer, Morgan will not be responsible for deviations in overall specifications if caused by deviation of truck specifications from information supplied.
9. **Supplemental Orders and Additions.** Orders subsequent to and which supplement or add to an original order will become part of the original order upon acceptance by both Customer and Morgan. Prices for additions will be governed by the price of time and materials necessary to effect the additions.
10. **Correction of Errors.** Morgan reserves the right to make corrections in typographical or arithmetical errors.
11. **Force Majeure.** Morgan shall not be liable for any delay in delivery due to fuel or other energy shortage, fires, floods, strikes or other labor disputes, accidents to machinery, equipment breakdown, volume of business, inability to secure raw materials, acts of sabotage, riots, precedents or priorities granted at the request or for the benefit, directly or indirectly, of the federal or any state government or any subdivision or agency thereof, delays in transportation or lack of transportation facilities, restrictions or other controls imposed by federal or state legislation or rules or regulations thereunder, executive proclamations by any authorized federal or state officer, or any other cause beyond Morgan's control.
12. **Merger and Integration.** All proposals, negotiations, and representations, if any, regarding the transaction or series of transactions evidenced hereby and made prior to or on the date hereof are deemed to be merged herein. These standard terms and conditions shall be deemed to embody all of the terms, conditions and other expectations of both Morgan and the Customer with respect to the transaction or series of transactions evidenced hereby. No evidence of any prior or contemporaneous course of dealings or course of performance between Morgan and the Customer shall be admissible to supplement, explain or contradict any term herein.
13. **Amendment, Modification, Rescission or Waiver.** Neither this writing nor any provision hereof may be amended, modified, waived, discharged, terminated, or rescinded orally or by course of performance, course of dealing or usage of trade, but only an instrument in writing executed by the party against which enforcement of the amendment, modification, waiver, discharge, termination or rescission is sought, may do so. No waiver of any provision hereof or of any right otherwise conferred by law shall affect the waiving party's capacity to respond to any other similar contemporaneous or future breach.

14. **Assignment.** Customer shall not assign any of its rights nor delegate any of its duties hereunder without Morgan's prior written consent, and any such attempt at assignment or delegation shall be void.
15. **Limitation of Liability.** Morgan shall not be liable to the Customer for any loss of profits, indirect, special, and/or consequential damages arising out of any breach of its obligations and/or warranties under this Agreement.
16. **Compliance with Laws.** Any provisions required to be included herein by any applicable and valid law, rule, regulation, or executive proclamation shall be deemed incorporated herein without further action by Morgan and the Customer herein.
17. **Waiver.** Morgan's forbearance or failure to exercise, at any time, any of its rights and/or remedies herein shall not be deemed a subsequent waiver thereof nor a waiver of any other right or remedy contained herein.
18. **Cancellation.** Customer shall not have the right of cancellation, except upon the written consent of Morgan. Material or components considered "special order" or "unique" (e.g., items not readily transferrable by Morgan for other use), are not cancellable. If a cancellation of any order is accepted by Morgan, Morgan reserves the right to assess a cancellation fee of up to 50% of the price set forth on the Quote / Sales Agreement.
19. **Costs.** Customer hereby agrees to reimburse Morgan for all costs and expenses (including reasonable attorney's fees) incurred by Morgan in connection with any legal proceeding commenced hereunder or otherwise arising out of this agreement for recovery of Goods sold or for collection of monies due hereunder.
20. **Applicable Law /Dispute Resolution.** This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania ["State"] without giving effect to the choice of law principles of the State. Customer agrees that the courts of the Commonwealth of Pennsylvania, Berks County and the United States District Court for the Eastern District of Pennsylvania shall have jurisdiction to hear and determine any claims or disputes pertaining directly or indirectly to this Sales Agreement, any agreement between the parties or otherwise between the parties. Customer expressly submits and consents in advance to such jurisdiction in any action or proceeding in such courts, and agrees that venue will be proper in such courts for all such matters. If any action or proceeding is brought by Morgan against Customer hereunder and Customer is not otherwise subject to service of the process in the Commonwealth of Pennsylvania, Customer agrees to and does hereby irrevocably appoint the Secretary of Commonwealth of Pennsylvania as Customer's agent for the acceptance of service of process therein and a copy of such process shall be mailed by Morgan to Customer at Customer's last known address.
21. **Severability.** The provisions of this writing shall be severable so that the invalidity, unenforceability or waiver of any of them shall not affect the remaining provisions herein.

22. **Headings.** The headings herein are for convenience only and do not define or limit the provisions hereof.