

FUGATE

INDUSTRIAL SALES INC.

1317 SOUTH JEFFERSON ST.
SALT LAKE CITY, UTAH 84115

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TERMS OF SALE. Interest will be charged at a rate of 1½% per month (18% per annum) on past due accounts. Purchaser agrees to pay all amounts due hereunder in Salt Lake County, Utah at the office of seller and to pay all collection costs and attorney fees incurred in enforcement of the agreement. Title to merchandise listed hereon shall remain vested in the seller until the purchaser pays the purchase price in full. Retention of above material for 15 days or more or use thereof, constitutes agreement to these terms.

WARRANTY. *FUGATE INDUSTRIAL SALES, INC.* warrants its goods to the original buyer only, against defects in material and workmanship for a period of twelve months after the invoice date or of six months after commencement of use, whichever period is less. This warranty shall constitute the sole warranty of *FUGATE INDUSTRIAL SALES, INC.* with respect to these goods. Seller neither assumes nor authorizes any person to assume for it any other obligation or liability in connection with the sale of goods by seller. *FUGATE INDUSTRIAL SALES, INC.* HEREBY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

REPAIR. Should there be any defects in the goods, buyer shall promptly notify seller and on receipt of consent from seller, buyer shall return the defective goods to the factory for inspection with shipping prepaid. If inspection shows the goods to be defective, *FUGATE INDUSTRIAL SALES, INC.* at its option, will repair or replace the goods without charge, F.O.B. at the factory, or refund or credit the invoice price of the goods. *THIS REMEDY SHALL BE THE EXCLUSIVE REMEDY OF THE BUYER WHETHER BUYER'S CLAIMS SHALL BE FOR SHORTAGE, BREACH OF WARRANTY OR NEGLIGENCE. IN NO EVENT WILL FUGATE INDUSTRIAL SALE, INC. BE LIABLE FOR ANY SPECIAL OR CONSEQUENTIAL DAMAGES.*

SUBSEQUENT PURCHASES. Buyer agrees to furnish the above warranty and repair provisions in writing to any party to whom buyer sells the goods.

PACKING. The goods will be packed in accordance with seller's then prevailing packing. Buyer shall pay all costs for special packaging requested by the buyer.

DELIVERY. Seller will make delivery as quoted if possible. Dates of deliveries are determined from the date of seller's acknowledgement of any order or orders by buyer and are estimates of approximate dates of delivery not a guarantee of a particular day of delivery. Seller shall not be liable for a failure or delay in shipping goods hereunder if such failure or delay is due to an act of God, war, flood, accident, fire, strike, civil or military authority, rulings or regulations or restrictions of the federal or any state or municipal government or any branch or agency thereof, car, ship or air shortages or other delays in transportation, or inability to obtain necessary labor or materials from manufacturers or suppliers thereof or any other cause whatever beyond the reasonable control of seller. Seller reserves the right to withhold delivery on accepted orders without any liability on its part, if in its opinion, the buyer's ability to pay for the goods on the seller's terms and conditions is in doubt.

TESTING. In addition to the purchase price, buyer shall pay all costs incurred in connection with any testing to determine whether the goods meet the particular specifications of the Buyer. Buyer must specify such special testing requirements at time of order.

SPECIFICATIONS. The products shall meet seller's standard specifications unless buyer, in placing the order, makes a written request for reasonable variations and seller expressly agrees in writing to make such variations.

TOOLING. Buyer shall pay the cost of any new or additional tooling necessary to meet buyer's specifications. Seller shall, nevertheless, retain all rights, title and interest in and to such tooling with the authority to dispose of such tooling as it deems fit.

PATENTS. Buyer shall, in respect to goods packaged by seller in accordance with designs, processes, or formulas supplied, determined, or requested by buyer, defend, indemnify, and hold harmless seller, its successors and assigns from, and against any claim, loss, damage or expense, including attorneys' fees, arising out of any infringement or claim of infringement of any letters patent, trade names, trademark, copyright, or trade secrets by reason of the use of such designs, processes, or formulas. Seller shall promptly notify buyer of such claim of or suit or infringement. At buyer's request, seller shall give buyer control of the defense of such suit. Insofar as seller has the authority to do so, and shall furnish information and assistance for the same, all at buyer's expense.

MODIFICATION OR CANCELLATION. After the seller has acknowledged an order, buyer may not modify or cancel such order except upon written agreement with the seller in which case buyer shall be liable for reasonable charges, including direct and indirect costs and profits, assessed in accordance with seller's regular commercial practices. Buyer may not cancel orders for goods after seller has either made a commitment or begun production.

ACCEPTANCE. Buyer's receipt of any goods delivered hereunder shall be an unqualified acceptance of, and a waiver by buyer of any and all claims with respect to, such goods unless buyer gives seller notice of claim within fifteen days after such receipt. No goods may be returned without the prior written approval of the seller. Buyer shall pay all transportation costs for returned goods.

RETURN. Buyer shall not return any products without the prior written consent of seller. If seller consents, buyer shall return the products with freight prepaid. All products returned must be standard inventory items in reasonable condition. Such products are subject to inspection and minimum handling charge of 25% of the net invoice price plus any prior freight or handling charges. Custom made items are non-returnable.

Customer Name (please print)

Date

By: _____
Its president or other officer or agent who
is authorized to bind the Customer