



International Inc.

TERMS AND CONDITIONS OF SALE

This Agreement shall be governed by the law of Pennsylvania. All times specified for the performance of the parties' obligations shall be of the essence.

This Agreement shall be deemed an agreement between merchants as defined by 13 P.C.S.A. § 2-104, the Uniform Commercial Code.

The price of the goods does not include the cost of shipment to the buyer's designated destination.

Delivery shall mean the transfer of control of the goods to a common carrier for shipment to the buyer or transfer to employees or agents of the buyer. If the seller is unable to deliver the goods to the buyer due to inadequate supply of goods at the time of proposed delivery, the performance of any further obligations by either party, relating to those goods for which supply is inadequate shall be excused.

This proposal shall become binding on buyer and seller when signed by buyer or buyer's agent and approved by the officers of the seller, and shall become the entire and sole agreement of the parties pertaining to the subject matter of the agreement, mutually withdrawing, canceling, or otherwise waiving, terminating, and excluding any and all oral, written, express, or implied representations, guarantees, warranties, agreements, or understandings not set forth in full herein, or in the general provisions or specifications made a part of this agreement by both parties hereto.

This proposal may be accepted only at seller's registered office, or its warehouse, 1220 Spring Garden Street, Philadelphia, Pennsylvania. This proposal may only be accepted on the exact terms set forth herein, and no additional terms or modifications shall be accepted. Use of buyer's order form to submit a purchase proposal shall be ineffective in limiting or modifying the terms of seller's acceptance, unless buyer pays the full price in cash for the subject goods prior to acceptance or shipment by seller and seller agrees in writing to buyer's modifications. Acceptance may only be by written notice or by immediate or prompt shipment of the goods. Immediate shipment shall mean shipment within seven business days from receipt of the proposal. Prompt shipment shall mean shipment within twenty-two business days from the requested shipping date. Seller shall have the option to deliver the goods in two or more installments as seller may elect.

Goods sold under this agreement shall be deemed received by buyer when delivered by seller to a common carrier for shipment to buyer, or when received from seller by persons reasonably appearing to be the agents or employees of buyer.

Seller shall not be liable for any delay in delivery or failure to deliver any or all of the goods described by this agreement where the delay or failure is caused by labor troubles, strikes, lockouts, war, riots, civil commotion, failure of supplies from ordinary sources, fire, flood, storm, accident, act of God, or any other cause beyond the control of seller.

Risk of loss, injury or destruction of the goods shall be borne by buyer from time of shipment, and any loss, injury or destruction shall not release buyer from any obligation under this agreement.

Payment for the goods shall be made to seller at its principal office according to the payment terms agreed to by seller, and when buyer is notified goods were tendered by seller to a common carrier for shipment to buyer. Seller retains a security interest in the goods until payment is made in full by Buyer.

If the parties to this agreement fail to specify any purchase price for the goods, buyer shall be obligated to pay a reasonable price for the goods as appears on the seller's standard price list at the time of delivery. Seller may revise any price specified in this agreement to conform to seller's standard price list at the time of delivery, by giving written notice of the revision to buyer not less than ten business days prior to the scheduled delivery date. If buyer is unwilling to accept the revised price specified by such notice and so notifies seller in writing prior to the scheduled delivery date, either party may terminate this agreement upon receipt by the other party of written notice prior to delivery. The revised price specified in the notice of seller shall continue in effect until the termination of this agreement, if any.

No warranties, express or implied, regarding merchantability, or fitness for any purpose, have been made by seller in the goods unless expressly included in this written agreement between buyer and seller. Seller warrants that the goods sold under this agreement shall be of the standard quality of seller, and buyer assumes all risk and liability resulting from the use of the goods, used singly or in combination with other goods. Seller neither assumes nor authorizes any person to assume for seller any in connection with the sale or use of the goods, and there are no other oral agreements or warranties collateral to or effecting this agreement. Seller shall not be liable for consequential damages resulting from any breach of warranty.

No rights of the buyer arising under this agreement may be assigned. An assignment would change the duty imposed by this agreement, would increase the burden of risk involved and would impair the chance of obtaining performance or payment. Any assignment contrary to this provision shall be a breach of this agreement.

In any action brought in any court by seller, any assignees of seller, or buyer concerning this agreement or the goods, the rights and remedies of seller may be enforced successively or concurrently and the adoption of one or more rights or remedies shall not operate to prevent seller from exercising any other or further remedy given to seller under this agreement.

Buyer consents to personal jurisdiction over the buyer and subject matter jurisdiction over this agreement by a tribunal of the Commonwealth of Pennsylvania, with venue of any action being in Montgomery County, site of seller's registered office, or in Philadelphia County, site of seller's business operations, by reason of entering into this agreement for the purpose of realizing pecuniary benefit through the purchase of goods, the acceptance by the seller, and by the receipt of such goods at seller's warehouse.

If the buyer refuses to accept or repudiates delivery of the goods sold to him under this agreement, seller shall be entitled to damages based on the difference between the market price of the goods at the place and time of tender of the goods and the unpaid sale price together with any incidental damages authorized by 13 P.C.S. A. § 2710 if applicable, but less expenses saved due to breach by buyer.

Seller shall be entitled to all incidental damages, including, but not limited to, all commercially reasonable charges, expenses, or commissions incurred in stopped delivery under the U.C.C., in the transportation, care and custody of goods after the breach by buyer and in connection with the return or resale of goods, or any other damages resulting from a breach by buyer.

Seller shall be entitled to recover a time price differential for delinquent payment of all accounts. The time price differential/service charge shall be at the rate of 1.5 per cent per month. Seller shall be entitled to a further amount of fifteen per cent of the seller's claim against buyer as a reasonable attorney's fee for collection of that claim.

If, for any reason, buyer fails to accept and settle for the goods, buyer will, if seller so elects and demands, pay to seller, in lieu of the enforcement of this agreement, as liquidated damages, a sum equal to one hundred and twenty five percent of the list price of the goods according to seller's standard price list, and, if shipment has been made, freight from seller's facility and return, demurrage, cartage, loading and unloading expense, and all other similar expenses actually incurred by reason of the shipment and attempted delivery of the goods. Seller shall be entitled to a further amount of fifteen percent of the seller's claim against buyer as a reasonable attorney's fee for collection of that claim.