



Standard Customer Order Terms

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. This invoice is an acceptance of Buyer's order which is subject to the following terms and conditions. The terms as hereinafter written supersede the terms of Buyer's order in the event of contradiction or inconsistency herewith. No understanding, agreement, term, condition or trade custom at variance with or contradictory to the terms and conditions herein set forth shall be Binding on the Seller. No course of conduct, nor any delay of Seller in exercising any rights hereunder nor Seller's acceptance of payment or delivery of goods with knowledge of a default or breach, shall waive any rights of Seller or modify this agreement. No waiver of any provision of this agreement shall be deemed a waiver of any other provision nor shall one waiver of a provision be deemed a continuing waiver of such provision. This writing constitutes the final expression of the parties' agreement and it is a complete and exclusive statement of the terms of that agreement. No modifications of these terms and conditions shall be of any force or effect unless in writing and signed by the party claimed to be bound thereby.

2. Seller will use its best efforts to make delivery of the goods ordered on the date or dates specified by the Purchaser, but Seller does not guarantee delivery on any date or dates so specified and shall be subject to no liability for any damage caused by delayed delivery. Seller reserves the right to make delivery in installments. All such installments shall be separately invoiced and paid for when due, without regard to subsequent deliveries. Delay in delivery of any installment shall not relieve Buyer of its obligation to accept remaining deliveries.

3. Unless otherwise specified, all shipments are F.O.B. factory. Whether shipment is FOB factory or otherwise, title to merchandise and risk of loss for merchandise sold hereunder passes to buyer when merchandise leaves seller's factory, warehouse, or other designated facility.

4. Seller's total responsibility for damages, whether arising in contract or tort arising out of, or relating to, its performance of this contract on the products covered hereunder, shall be limited to the order price for the product. In no event shall Seller be liable for any incidental or consequential damages, such as lost profits, loss of use of equipment, expenses or damages incurred in reliance on Seller's performance hereunder, whether suffered by Buyer or any third party. Seller shall have no liability to Buyer for loss or damage arising out of non-shipment if caused by contingencies beyond Seller's control including without limitation, acts of God, fires, floods, labor disputes, governmental action and inability to obtain materials, supplies, equipment or transportation.

5. Orders are accepted subject to final approval of the Buyer's credit by Seller at the home office. Clerical errors may be corrected at any time. Notice of such corrections shall be provided to the Buyer.

6. Seller warrants that its products and material shall be free from original defects in material and workmanship under normal use and service for a period of 180 days. EXCEPT AS OTHERWISE STATED, THERE IS NO WARRANTY THAT PRODUCT SOLD HEREUNDER SHALL BE FIT FOR ANY PARTICULAR PURPOSE, NOR IS THERE ANY WARRANTY OF MERCHANTABILITY OR ANY OTHER WARRANTY, EXPRESS OR IMPLIED. Buyer expressly agrees that Seller's liability and Buyer's exclusive remedy for breach of any warranty shall be limited to the return of the purchase price of the products sold hereunder. Seller shall in no case be liable for incidental or consequential damages. Any recommendations for the use of product, or equipment, materials or apparatus in connection therewith, are based on Seller's judgement but there is no warranty of results to be obtained and no liability in connection therewith. Any claims against Seller for defect in product must be presented in writing within thirty (30) days after discovery of such defect, provided that Buyer must, in any case, commence any action for breach of contract not later than one (1) year from the date of sale. Claims for shortage must be made on receipt of goods. Merchandise may not be returned without Seller's written consent. A restocking charge will apply to all approved returns. Buyer must comply with Seller's returned goods policy when returning goods. An order once placed with and accepted by Seller can only be cancelled with Seller's written consent and Seller may charge Buyer costs of cancelling or changing an order. Buyer agrees that in the event it sells, distributes or

delivers the goods sold hereunder to any third party, the exclusions, disclaimers and limitations on Seller's obligations and liabilities contained herein shall apply to such third party to the maximum extent permitted by law, and Buyer agrees to secure an agreement thereto in writing by such third party.

7. In addition to the purchase price, which is subject to change without notice, Buyer shall be responsible for all sales, use, excise, property or other taxes which Seller is required to collect or pay in connection with the manufacture, transportation, use, or sale of the goods to Buyer.

8. If Buyer fails with respect to this or any other agreement with Seller to pay any invoice when due or to accept any shipment as scheduled, Seller may, in addition and without prejudice to its other lawful rights and remedies, defer further shipments until the default is corrected or terminate this agreement forthwith on notice. Should Buyer's financial responsibility become unsatisfactory to Seller, cash payments or security satisfactory to Seller may be required by Seller for future deliveries and for the goods theretofore delivered. A late payment charge of 1.5% per month on the unpaid balance will be made on all past due accounts. Buyer agrees to pay Seller's reasonable attorney's fees and other costs of collection of Buyer's past due accounts.

9. Buyer shall not (by operation of law or otherwise) assign its rights or delegate its performance hereunder without the prior written consent of Seller, and any attempted assignment of delegation without such consent shall be void.

10. Seller may without notice to Buyer increase the regular price of any goods by the amount of any new or increased tax (excluding franchise net income and excess profits) which Seller may be required to pay on the manufacture, sale transportation, delivery or use of any goods or the materials required for its manufacture or which affect the cost of such materials. Any increase in freight rates paid by the Seller on shipments covered by this contract which hereafter become effective may, at Seller's option, be added to the price herein specified.

11. This agreement shall be construed to be between merchants. Any questions concerning its validity, construction or performance shall be governed by the laws of the State of North Carolina regardless of where

any order was placed or filled, the place of delivery of the goods, or where any other act or performance occurred. Any dispute relating to or arising under this invoice shall be submitted, at the Seller's sole option, to arbitration in the State of North Carolina in accordance with the rules and regulations of the American Arbitration Association and Buyer agrees to consent to jurisdiction therein. In the event that any provision contained in this invoice shall be determined to be unenforceable, invalid or illegal in any respect for any reason, the enforceability, validity and legality of any such provision in any other respect and the remaining provisions of this invoice shall not be in any way impaired.

12. An item ordered, which is customarily stocked by Seller, may be discontinued and in such event Seller will notify Buyer on the packing slip enclosed with the portion of the order delivered and as to that item, the order is cancelled. Also, Seller may be only temporarily out of stock on any item customarily carried by Seller and in such event Seller will similarly notify Buyer on the packing slip enclosed with the portion of the order delivered whether such order is being kept on back order by Seller, or that the order is cancelled and Buyer should reorder.