

Terms & Conditions of Sale: Polynova Nissen Inc.

I. GENERAL

The following Terms and Conditions of Sale ("Terms") are applicable to all sales made by Polynova Nissen, Inc. (Seller), and the acceptance of any order is expressly conditioned upon Buyer's consent to these Terms. No interlineations, deletions, modifications or amendments to these Terms shall be binding on Seller unless agreed to and accepted in writing by Seller.

All sales are subject to written confirmation by Seller. Receipt by Buyer of Seller's acknowledgement of an order without prompt written objection thereto shall constitute acceptance by Buyer of these Terms. Buyer must respond to Seller's notice of acknowledgement within five (5) days of receipt of such acknowledgement or Buyer will waive his right to cancel the order.

II. PRODUCT PRICE QUOTATIONS

The quotations or tenders are noncommittal in nature. No contract for sale shall arise until a written acknowledgement from the Seller accepting the Buyer's order, is sent by the Seller to the Buyer. Because no contract is formed until Seller acknowledges Buyer's order, those Terms shall supercede any and all terms of Buyer.

III. DELIVERY

Unless otherwise specified by the parties the products are to be delivered F.O.B., from Seller's warehouse of choice.

IV. DELAYS IN DELIVERY

Delivery periods and deadlines stated are subject to timely deliveries made to Seller by its suppliers and shall not be binding upon Seller. If products are not shipped by Seller within forty-five (45) days of the date agreed to by the Parties, Buyer shall have the right to cancel the specific shipment without penalty. Under no circumstances shall Buyer be entitled to any damages for Seller's failure to ship on time.

V. PRICE OF PRODUCT

Unless otherwise stated the price of the products will include interior and exterior packaging and necessary documentation for shipment from Seller, but excluded from the price are pallets and special packaging. Additional cost will be added to the price when the Buyer requests the use of the Seller's pallets or requests that the product be packaged in a special manner.

Unless otherwise stated, Seller shall sell products to Buyer at a price not greater than Seller's current list price thereof. Any such list may be increased by Seller only upon thirty (30) days' prior written notice to Seller of such intended price increase.

VI. PAYMENT

Unless otherwise stated any sale of products to Buyer shall be subject to cash on delivery (COD) payment terms. Upon written approval by Seller, payment for products may be made within thirty (30) days net from the date of invoice. In the event Seller feels insecure concerning payment by Buyer, Seller reserves the right to require cash or letter of credit payment terms. In the event payment is not received when due, interest shall be due at the rate of one and one half percent on the unpaid portion of the invoice sum for each period of thirty (30) days or part thereof from the due date. Buyer shall pay all of Seller's costs of collection of any amounts past due, including, but not limited to attorneys' fees, court costs, witness fees, travel and lodging, etc.

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VI. PAYMENT cont.

Seller has the right to refuse to ship products if Buyer is past due on any of its debts to Seller. Furthermore, Seller shall have the right to retake the Products immediately unless other written arrangements have been made concerning payment. Buyer agrees to make all Products available, shipping ready, for Seller, within five (5) days of receiving notice from Seller of its intention to retake the Products. Seller shall bear all cost related to the return of Products pursuant to the above.

1. Payment terms 1% 10 net 30 days.
2. Claims arising from invoices must be made within seven working days.
3. By submitting this application, you authorize Polynova Nissen Inc. to make inquiries into the banking and business/trade references that you have supplied.

VII. SECURITY INTEREST

In order to protect and secure payment of all debts due and owing from Buyer, Buyer hereby grants to Seller a security interest in all of Buyer's inventory of Products. In connection therewith, Buyer shall take such steps and execute and deliver such financing statements and other papers as Seller may from time to time request. In the event Buyer sells the products to a third party before payment in full is received by Seller, Buyer agrees to secure its security interest in the products at the time of sale to its customer in order to protect Buyer's interests to the greatest extent possible.

VIII. PASSING OF RISK

Risks of loss and damages shall pass to the Buyer upon Seller's putting the materials into possession of carrier at the place of shipment irrespective of price or delivery terms, unless delivery terms agreed upon provide for an earlier passing of risk. In the latter case they shall prevail.

IX. INSPECTION; RETURNS

Unless Seller receives a written complaint with full particulars from Buyer regarding any defective products or other complaints within five (5) business days from the date the products arrive at the destination indicated on the Bill of Lading, the products shall be deemed to have been delivered in good condition and that the delivery is accepted.

X. WARRANTY OF PRODUCTS

Seller warrants Buyer that all Products will be free from defects and workmanship for a period one (1) year from the date of delivery ("the Limited Warranty"). This Limited Warranty is limited to replacement, upon Seller's satisfaction that such replacement is covered by the Limited Warranty, in which case Seller shall reimburse Buyer for the cost of all replacements. Seller's Limited Warranty applies only if the Products are installed by the user according to the instructions furnished by Seller; are not misused or abused; there is no evidence of tampering, mishandling, neglect, accidental damage, modification or repair without the approval of Seller; or damage done to the product by anyone other Seller.

This limited Warranty is provided by Seller and contains the only express warranty provided to Buyer. SELLER DISCLAIMS ANY EXPRESS WARRANTY NOT PROVIDED HEREIN AND ANY IMPLIED WARRANTY, GUARANTEE OR REPRESENTATION AS TO SUITABILITY FOR ANY PARTICULAR PURPOSE, PERFORMANCE, QUALITY AND ABSENCE OF HIDDEN DEFECTS, AND ANY REMEDY FOR BREACH OF CONTRACT, WHICH BUT FOR THIS PROVISION, MIGHT ARISE BY IMPLICATION, OPERATION OF LAW,

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X. WARRANTY OF PRODUCTS cont.

CUSTOM OF TRADE OR COURSE OF DEALING, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. EXCEPT AS PROVIDED IN THIS AGREEMENT, SELLER FURTHER DISCLAIMS ANY RESPONSIBILITY FOR LOSSES, EXPENSES, INCONVENIENCES, SPECIAL, INDIRECT, SECONDARY OR CONSEQUENTIAL DAMAGES ARISING FROM OWNERSHIP OR USE OF THE PRODUCTS.

XI. CANCELLATION PRIVILEGES

Unless otherwise specifically agreed in writing, Seller may cancel any contract if Buyer is in default of the payment of any obligations pursuant to the contract or any other contract between the parties, or if in the sole judgment of Seller, Buyer's financial condition and responsibility has become materially impaired. In addition, Seller shall have the right to recover damages for nonperformance and any unpaid installments due on account of this or any other contract between the parties that shall become immediately due and payable.

XII. GOVERNING LAW

These Terms and all transactions between Seller and Buyer are governed by the laws of the state of Illinois. Disputes arising from the contract and other matters connected with it shall be construed in accordance with and be governed by the laws of the state of Illinois without reference to its conflicts of laws principles.

XIII. FORCE MAJEURE

If the performance of the terms of a contract should be prevented, delayed, restricted, or interfered with by acts of God, acts of public enemies, strikes, riots, war, serious fire, flood, earthquake or other natural catastrophe, or any other circumstances outside the control of the Buyer or the Seller, recognized under international commercial practice as constituting force majeure, then the party so affected shall, upon giving prompt notice of the same, be excused from such performance to the extent of such prevention, delay, restrictions, or interference, provided that the party so affected shall use its best efforts to avoid or remove such causes of nonperformance and promptly resume performance hereunder when such causes have been removed. Upon such circumstances arising, the Buyer and Seller shall promptly consult as to what (if any) modification to the terms of the contract may be required to arrive at an equitable solution; and, if such nonperformance appears likely to continue for an extended period of time and the affected party's nonperformance appears likely to cause serious hardship to the other party, such other party may terminate the contract upon One Hundred Eighty (180) days' prior written notice to the affected party. A force majeure may include, but is not limited to, labor disputes, fires, wars, mobilization or unforeseen similar acts by the military authorities, requisition, arrests, currency restrictions, insurrection and riots, shortages of means of transportation or raw materials or components, general shortages of goods, destruction of large quantities of products, restrictions in the use of power, extensive damage to or destruction of machinery or other important equipment for production as well as stocks of raw material or components.

XIV. ENTIRE AGREEMENT

These Terms constitute the sole terms and conditions of the contract between the Buyer and Seller. No other terms, conditions, or understanding, whether oral or written, shall be binding upon the Seller, unless hereafter made in writing and signed by Seller's authorized representative and, in the case of printed matter, also initialed by such representative next to such printed term or condition