

TERMS AND CONDITIONS OF SALE

1. Sasa Demarle Inc. (hereinafter, "Seller") only contracts upon and subject to these terms and conditions of sale. Unless otherwise expressly agreed to in writing by Seller, any purchase terms or conditions offered by Buyer are hereby expressly rejected and not binding on Seller, even where Seller fails to expressly reject such terms or conditions,

These terms and conditions of sale shall be considered accepted by Buyer upon receipt of Seller's goods.

2. No representation made by Seller to Buyer, whether oral or written, shall be deemed to constitute an offer to sell, and a contract shall be concluded only when Seller confirms its acceptance of Buyer's order by a "confirmation of order" form or at the time Seller issues an invoice, whichever comes first. The prices and other information stated in Seller's price list, catalogue, or elsewhere are approximative and not binding on Seller.

3. No modification or partial or total cancellation of an order shall be accepted by Seller without its express written agreement.

4. Seller reserves the right, at any time and without prior notice, to manufacture new goods or to cease manufacture of goods, or to modify goods already manufactured in any manner it deems necessary. Seller shall have no obligation to apply such changes to goods on order, goods in transit, or to goods previously delivered to Buyer.

5. While Seller will endeavor to deliver all goods in accordance with the specifications prevailing at the time of receipt of the order, it reserves the right to vary specifications without notice in light of changes in technical knowledge, production techniques, government or other standards or regulations, considerations of safety, or for any other reason. Delivery of a product conforming to Seller's design and specifications prevailing at the time of delivery shall be good and sufficient performance of the contract by Seller.

6. Delivery dates are merely approximative and in no event constitute a commitment by Seller to deliver by a date certain. Seller shall not be liable for damages resulting from late tender of delivery. In the event that, contrary to these terms and conditions of sale, seller undertakes to tender goods upon a specific date, no claim for damages stemming from late tender may be made unless (1) buyer has first notified seller of untimely tender via registered or certified mail, and (2) tender is still not forthcoming a month or more after seller is notified of late tender.

7. Packaging, transportation, and insurance costs, if any, shall be borne by the Buyer. Delivery shall be deemed to be complete when Seller tenders the goods to the carrier.

8. Risk of loss of the goods shall pass at the time Seller tenders the goods to the carrier,

9. All goods must be paid for via certified check prior to or at the time the carrier tenders the goods to Buyer.

10. In case Seller consents to any alteration of the above modalities of payment, Buyer agrees to provide Seller with any security Seller may deem necessary. Furthermore, Seller shall retain title to the goods until payment is received in full. In case of default in payment, Seller shall have the right, in addition to any other rights it may have, to enter upon the premises where such goods are located and to take possession thereof without notice, free of any claim of Buyer. In the event Buyer's payment is not forthcoming at the time agreed upon for payment, **Buyer will be charged a fee in the amount of 1.5% of the outstanding balance for each thirty (30) day period following the original payment date during which any portion of the balance remains unpaid.**

11. Any tax imposed by any city, state, federal or other governmental authority on the manufacture or sale of the goods shall be added to the purchase price to be paid therefore by the buyer.

12. Seller shall accept no returns, replacements, or exchanges of any kind except as set forth in Paragraphs 13 and 14 of this agreement,

13. Any claim by Buyer relating to alleged deficiencies, defects, unacceptable quality, or inadequate performance must be made as contemplated in Paragraph 14 of this agreement within ten (10) days of carrier tender of the goods to Buyer. Buyer shall use any and all means at its disposal to ascertain possible deficiencies in Seller's performance, and shall undertake all necessary technical tests and verifications enabling discovery of possible nonconformity of the goods to their specifications, quantities ordered, or any defects or problems with such goods. Buyer shall not assert impossibility of performance as to its obligation to examine and test the goods for conformity to contract specifications.

14. Any claim made under Paragraph 13 must be made by certified letter, return receipt requested, or, if required by reasons of urgency, by telefax, on the condition that receipt of such telefax is acknowledged by Seller.

Any such claim shall clearly describe in detail the nature of the alleged defect(s), upon receipt of which Seller shall undertake an examination of the goods in order to determine whether the goods in question are non-conforming or defective. All costs incurred by Seller for such examination or tests shall be charged to Buyer, unless it is established that Seller is liable for the defect in question. If the goods are found to be non-conforming or defective, Seller may, at its option, replace the goods or issue a credit. If Seller elects to have the goods returned, the risk of loss during transportation shall be borne by Buyer.

15. WARRANTIES, EXCEPT AS STATED IN ARTICLE 14 ABOVE, SELLER DOES NOT WARRANT THE GOODS COVERED BY THESE GENERAL CONDITIONS OF SALE IN ANY MANNER WHATSOEVER, AND ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING SPECIFICALLY THE **WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE**, ARE EXCLUDED. IN NO EVENT SHALL SELLER BE LIABLE FOR LOSS OF USE OR LOSS OF PROFITS, OR INDIRECT, SPECIAL, CONSEQUENTIAL, OR OTHER SIMILAR DAMAGES ARISING OUT OF THE BREACH OF THESE GENERAL CONDITIONS OF SALE.

16. Any waiver of any breach of any term or condition of these terms and conditions of sale shall not operate as a waiver of any other breach of such term or condition. The failure to enforce any provision of these terms and conditions of sale shall not operate as a waiver of such provisions.

17. In the event that any of these terms and conditions of sale are held to be unenforceable, such determination shall in no way affect the remainder of these terms and conditions which shall continue to be fully valid and binding on the parties

18. These terms and conditions of sale represent the entire agreement, and no other agreements, either written or oral, exist between the parties.

19. These terms and conditions of sale and their performance shall be interpreted in accordance with the laws of the State of New Jersey.

20. Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by one arbitrator in accordance with the commercial arbitration rules of the American Arbitration Association and judgment upon the award rendered by an arbitrator may be entered in any court having jurisdiction thereof, The place of arbitration shall be New Jersey.

All awards rendered in said arbitration shall be final and binding, and shall not be subject to appeal in any court of law.