

TERMS AND CONDITIONS OF CREDIT ACCOUNT AND SALES

PART ONE OF TWO: Terms and Conditions of Credit Account

1. Buyer agrees that the individuals signing the application are authorized to bind the company to the terms and conditions of this agreement.
2. Buyer authorizes us to contact Consumer Credit reporting agencies, all bank, credit and trade references herein to verify your credit standing with them and authorizes them to release said information to us.
3. Buyer certifies this account will be used for business purchases only.
4. Invoices past due thirty days are subject to a Service Charge equal to 1.5% of the delinquent balance per month (18% per annum). Buyer agrees that should the late payment charge be deemed by a court of competent jurisdiction to violate any law, Buyer's sole remedy against Creditor for such violation shall be the application of any late payment charge paid in excess of the maximum rate allowable by law toward the unpaid account balance.
5. If it becomes necessary to effect collection, Buyer agrees to pay all costs of collection including actual court costs, agency costs and attorney fees.
6. The credit limit may be increased or decreased at the discretion of Creditor, without written notice and without affecting any personal guarantees.
7. Buyer agrees to provide Creditor with prompt written notice of any change in Buyer's name, address, ownership, or form of business entity. Such notice should be mailed to Creditor at:
 - a. 4209 SOUTH COUNTY ROAD 1290 MIDLAND, TX 79711 or faxed to (432) 617-0206.
8. Buyer agrees to provide us with the job name and address when placing orders with us and agrees that Creditor, at its sole discretion, may protect our lien rights on all projects for which we provide materials or services.

PART TWO OF TWO: TERMS AND CONDITIONS OF SALE

This order includes only standard material unless otherwise stated herein. "Seller" warrants that the material supplied hereunder shall conform to the description stated herein: BUT SELLER MAKES NO WARRANTY OF MERCHANTABILITY OR THAT MATERIAL SUPPLIED HEREUNDER SHALL BE FIT FOR ANY PARTICULAR PURPOSE OR LOCAL CODE NOR IS THERE ANY OTHER WARRANTY EXPRESS OR IMPLIED, EXCEPT SUCH AS IS EXPRESSLY PROVIDED HEREUNDER. IT IS AGREED THAT SELLER'S LIABILITY FOR DAMAGES, WHETHER BASED ON SELLER'S NEGLIGENCE, BREACH OF CONTRACT, BREACH OF WARRANTY OR OTHERWISE, SHALL NOT EXCEED THE PURCHASE PRICE OF THE PARTICULAR SHIPMENT WITH RESPECT TO WHICH SUCH DAMAGES ARE CLAIMED AND SHALL NOT INCLUDE LIABILITY FOR SPECIAL, INCIDENTAL, INDIRECT, PUNITIVE. OR CONSEQUENTIAL DAMAGES.

Any tax or other government charge upon production, sale and/or shipment of goods sold under this quotation now imposed by Federal, State, or Municipal authorities or hereafter becoming effective within the period that this contract remains in force, shall be added to this quotation and shall be paid by the Buyer, unless an appropriate signed resale or other exemption certificate is supplied.

It is expressly understood Seller is not responsible for and will not be held liable for damage and/or injury caused to buildings, contents, products or persons by reason of negligence of the Buyer or any other party or its agent in the installation of any of the products sold to Buyer by Seller.

Seller may recover for each delivery hereunder as a separate transaction, without reference to any other delivery. If Buyer be in default with respect to any of the terms or conditions of this or any other contract with Seller. Seller may, at its option, defer further deliveries hereunder until such default be remedied (in which event, if Seller so elects, the contract period should be deemed extended by a time equal to that during which deliveries shall be so deferred), or, without prejudice to any other legal remedy, Seller may decline further performance hereof. Termination or suspension of contract or the retaking of materials under any of these conditions shall not prejudice any claims of Seller for price of materials furnished, or for damages other than the reduction of any such claims by the value to Seller of any materials retaken.

As to any goods sold hereunder, the Buyer releases Seller from any liability hereunder for personal injuries, known or unknown and damage to property real or personal caused by or arising from the goods sold hereunder and agrees not to sue Seller under any theory of strict liability in tort, negligence, contract or otherwise for any claim or demand for personal injuries and property damage which in any manner arises out of the sale, use, application, transportation or otherwise of the goods sold hereunder. The foregoing disclaimers of warranty and disclaimer of liability shall be binding upon the Buyer and any successors in title, assigns transferees and ultimate users. The Buyer further agrees that in the event of litigation, the venue for all disputes arising out of this transaction shall be Midland County, Texas. All transaction terms are to be interpreted under Texas Law. Buyer hereby indemnifies and holds Seller harmless from any and all property damages or personal injury claims, awards or judgments including all fines, penalties and attorney's fees of any kind arising from Seller's sale and/or delivery of the goods

under this contract. In such case, any action by Buyer against Seller for breach of this contract or for any other cause, must be commenced within one (1) year of the date of delivery, or due date of delivery in the event of non-delivery of the particular shipment upon which such claim is based. If this proposal is accepted on other contract forms, it is understood that the terms and conditions appearing on this instrument constitute the sole and entire Agreement of the parties. No addition or conflicting provisions contained in any other communication from or with the Buyer will be considered to be part of this Agreement and receipt of a purchase order or other communication from Buyer will be considered an unconditional acceptance of the terms and conditions appearing hereon, without regard to any additional or conflicting terms proposed by Buyer.

A service charge/administrative fee of 1.5% per month will be charged on all overdue accounts, which shall be defined as all accounts remaining unpaid after thirty (30) days from the delivery of material to the Buyer, unless otherwise specified. In the event such rate should exceed the legally enforceable rate. Buyer will pay the maximum rate which is legal and enforceable. In the event Seller directs the use of legal remedies to collect payment, the Buyer agrees to pay to Seller all costs and expenses, including legal fees, incurred in the course of collection or pendency of the action.

Buyer agrees to pay the Seller's invoice (s) for all material specifically ordered or manufactured pursuant to this order in the event Buyer cancels this order at any time before the Seller's completion of this contract.

The pricing agreed to on this form is the pricing that has been accepted by the Buyer. There are no understandings or representations, express or implied, not expressly set forth herein and the terms of this contract, including pricing, shall not be modified, varied or supplemented by any course of dealing, usage of the trade or otherwise except by a writing signed by an authorized representative of Seller and an authorized designee of Buyer. This contract shall bind and inure to the benefit of the executors, administrators, successors, heirs, and assigns of the parties hereto.

Delivery of materials to carriers at F.O.B. shipping point shall constitute delivery to Buyer and materials shall be at Buyer's risk thereafter. In the event Seller is requested to make delivery to Buyer, insurance and collective bargaining agreements may preclude delivery beyond tailboard or the pavement of the nearest public road adjacent to Buyer's designated premises and Seller assumes no obligation to deliver beyond these points. If delivery is made beyond these points, Buyer assumes responsibility for property damage or personal injury caused by and to delivery vehicle, and agrees to indemnify Seller against and hold it harmless from loss, damages, claims and liability including attorney's fees, costs and disbursements.

Seller shall not under any circumstances be liable for any damages arising from delays in delivery of material.

Purchaser agrees to immediately examine shipment and agrees to notify seller promptly of any errors in shipment and of any defective material supplied. Buyer shall immediately check and inspect all materials on their arrival and if found short or damaged, shall file claim with the carrier and shall take full responsibility for collecting from the carrier for any damage or shortage occurring in transit. In the event of damage, defect, shortage or improper character of materials arising from error of the Seller, if Buyer shall give written notice by certified mail to

Seller within three (3) days from receipt of the Buyer of the materials from the carrier, the Seller shall recondition or replace any such materials within reasonable time. Failure to give said three (3) days notice shall constitute waiver of any claim against Seller on account of any such damage, defect, shortage or improper character of materials. In no event shall the Seller be responsible for any damages arising from the use of improper, damaged or defective materials. No allowances will be made for labor, repairs, or alterations performed by the Buyer without the Seller's written consent. Use of material shall constitute a waiver of any error in shipment or defect in material which might have been determined by a prompt and diligent inspection thereof.

Seller reserves the right to make alterations, modifications, substitutions or changes of design or material without any obligation to replace products previously shipped with such altered, modified, substituted or redesigned products. Details in Seller's literature shall not be binding on Seller.

Failure by Seller to enforce Buyer's compliance with any provision hereof shall not constitute waiver of that or any other provision.

ACKNOWLEDGEMENT

NOTICE: DO NOT SIGN AGREEMENT UNTIL YOU HAVE READ AND UNDERSTAND THE TERMS AND CONDITIONS IN BOTH PART ONE AND PART TWO.

CORPORATION NAME:

BY: _____
(name)

(SIGNATURE)

(title) Date

BY: _____
(name)

(SIGNATURE)

(title) Date