

MORRISON
SUPPLY COMPANY
a **MORSCO** company

INVOICE AND DELIVERY TICKET
TERMS AND CONDITIONS

It is specifically understood and agreed that these Terms of Sale and the Customer Account Terms of Sale set forth on the Customer Account Application shall constitute the entire agreement between Buyer and Seller and that all sales and/or transactions between Buyer and Seller shall be governed as stated therein. Agreement to the Terms and Conditions shall be conclusively presumed from failure of Buyer to promptly object in writing and from acceptance of any goods ordered.

All prices named, presented or proposed shall be Sellers prices in effect at the time of shipment by Seller, unless Seller has given a firm quotation in writing and Buyer has given an order and released the goods for shipment within the time period specified in the quote.

Shipments, deliveries and performance of work shall at all times be subject to the approval of the Sellers Credit Department, Fort Worth, Texas. Seller may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment or security or upon Terms and Conditions satisfactory to Seller. Seller reserves the right to ship C.O.D.

It is acknowledged and agreed that a delinquency charge equal to the lesser of 18% per annum or 1.5% per month, or the maximum permitted by law, computed on the unpaid balance shall be paid on all accounts not paid in full when due.

It is further acknowledged and agreed that the sales contemplated herein bear a reasonable relationship to the State of Texas and Texas laws will govern the rights and duties of the parties herein identified. All bills, invoices charges, claims and accounts herein referenced are specifically payable in Fort Worth, Tarrant County, Texas, where this contract is performable, in whole or in part, and where jurisdiction and venue will lie.

Risk of loss shall transfer to Buyer upon delivery of goods to common Carrier, Buyer or Buyer's agent.

Buyer warrants that it has not filed a Petition for Protection from the United States Bankruptcy Court under any title of the United States Bankruptcy Code and it has no present intention to do so.

It is further agreed that Customer will immediately notify Seller by Certified Mail if any material change occurs that reduces the means and/or ability of Buyer to pay all claims or demands against Buyer.

SELLER WILL PASS THROUGH TO CUSTOMER ANY WRITTEN OR IMPLIED WARRANTY OF THE MANUFACTURER BY DISCLAIMER THEREOF OTHERWISE SELLER DISCLAIMS ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR WARRANTY BEYOND THE DESCRIPTION OF THE GOODS SOLD. UNDER NO CIRCUMSTANCES WILL SELLER

BE LIABLE FOR ANY CONSEQUENTIAL DAMAGES OR ANY LOSSES OR DAMAGES RESULTING FROM A DEFECT IN ANY PRODUCTS SOLD HEREUNDER.

Buyer agrees that neither party shall be liable for any failure or delay in performance under this Agreement (other than for delay in payment of money due and payable hereunder) to the extent said failures or delays are proximately caused by causes beyond that party's reasonable control and occurring without its fault or negligence, including without limitations, failure of suppliers, subcontractors and carriers, or party to substantially meet its performance obligations under this Agreement.

Seller hereby specifically reserves and Buyer hereby grants to Seller a Security Interest in and to all goods, wares and merchandise sold and delivered to Buyer hereunder, and should Buyer default in the payment of any or all of any obligation, account, or debt created hereunder, or should any statement of warrant of Buyer be false or incorrect, or should any loss, theft, damage or destruction occur to Buyer's assets, or should Seller believe that the prospect for payment of any such indebtedness or obligation be impaired, or in the event of Buyers actual or threatened death, dissolution, termination of existence, insolvency, business failure, appointment of a Receiver, assignment for benefit of creditors, receivership, and/or bankruptcy, then, in any of such events, Seller may declare all obligations secured hereby immediately due and payable and may proceed to enforce payment of the same and exercise any and all of the rights and remedies possessed by Seller. Seller may require customer to assemble the Collateral and make it available to Seller at any place to be designated by seller, which is reasonably convenient to both parties. Seller will give Buyer reasonable notice of the time and place of any public sale thereof or of the time after which any private sale or any other intended disposition thereof is to be made. The requirements of reasonable notice shall be met if such notice is mailed, postage prepaid, to the address of Buyer shown at the beginning of this agreement at least five (5) days before the time of the sale or disposition. Expenses of retaking, holding, preparing for sale, selling, or the like, shall include Seller's reasonable attorney's fees and legal expenses. No waiver by Seller of any default shall operate as a waiver of any other default; and the terms of this agreement shall be binding upon the heirs, executors, administrators, successors, and assigns of the parties hereto. Buyer will execute all documents necessary for Seller to have a perfected security interest in said inventory.

Merchandise may be returned for Credit only with the approval of Seller. All merchandise approved for return must be in suitable condition and packaged in accordance with the company standards for stock merchandise. Special order merchandise may be returned only with prior approval of the Seller. Buyer credit will be issued subject to the manufacturer's acceptance, terms and issuance of credit to Seller. All stock merchandise returned for credit will be subject to a minimum restocking charge of twenty (20) percent. All merchandise returned for credit must be accompanied with a copy of the original invoice and a completed Material Return Authorization form.

Claims for breakage or shortages will not be allowed unless noted on delivery ticket at the time of receipt by Buyer.

These Terms and Conditions are a part of the Customer Account Application and are an addendum thereof.