

Terms & Conditions of Sale

1. This Agreement between ROVANCO PIPING SYSTEMS, INC. (the "Company") and Purchaser is subject to the following terms and conditions, and to those appearing on the face hereof, only, and no addition or deletion or other agreement, promise or covenant proposed by Purchaser shall become binding upon the Company, whether advanced by document, purchase order, confirmation or otherwise, unless accepted by the Company in writing, and the Company hereby gives notification of objection to all terms and conditions heretofore or hereafter proposed by Purchaser different from or additional to those specified in this Agreement, and in no event shall the Company's silence or any action by the Company be construed as the Company's assent to any such different or additional terms or conditions. Purchaser's assent to the terms and conditions set forth herein and on the face hereof shall be conclusively presumed from Purchaser's failure to reasonably and specifically object thereto in writing, or from Purchaser's acceptance of all or any part of the products described on the face hereof being sold to Purchaser pursuant to this Agreement (the "Products") regardless of whether a copy hereof is signed by Purchaser and returned to the Company. The terms and conditions specified on the face hereof shall be controlling in the event of any conflict thereof with the terms and conditions set forth herein.

2. Unless otherwise specified on the face hereof, all shipments of the Products are made F.O.B. the Company's plant in Joliet, Illinois. Delivery of any of the Products by or on behalf of the Company to any common carrier or to any other carrier or agent for shipment to Purchaser, or such other party as Purchaser shall designate, shall be deemed delivery thereof to Purchaser for all purposes of this Agreement and, thereupon, title to such of the Products and risk of loss thereof, including damages or theft in transit, shall immediately be transferred to and be deemed assumed by Purchaser, regardless of freight payment terms and whether such shipping agent has been specified by Purchaser. At the Company's option, the Products may be delivered to Purchaser in two or more installments.

3. Payment shall be made net cash, in U.S. dollars, within 30 days from date of shipment whether in full or partial fulfillment of this Agreement, without setoff of any kind. Any credits or setoffs alleged due to Purchaser from the Company shall not be deducted from the amounts due the Company under this or other agreements until the Company shall have issued and delivered to Purchaser the Company's credit memorandum authorizing such deduction. To the extent permitted under applicable law, past due accounts and sums improperly deducted will be subject to a service charge at the rate specified on the face hereof or, if no rate is specified, at the rate of two percent (1-1/2% per annum). An invoice may or may not accompany shipment at the Company's option.

4. The amount of the present or future sales, use, revenue, excise, or other taxes applicable to the Products is not included in the purchase price and shall be paid by Purchaser. Purchaser certifies that, except as otherwise expressly provided on the face hereof, all the Products are purchased for resale and not Purchaser's use. Purchaser has supplied, or prior to shipment hereunder, will supply the Company with its applicable registration or resale certificates and numbers.

5. The Company will not be liable for any delay in the performance of this Agreement or in the delivery of shipment of the Products, or for any damages suffered by Purchaser or its customers by reason of such delay, when such delay is, directly or indirectly, caused by, or in any matter arises from fires, floods, accidents, riots, acts of God, war, terrorism, governmental interference or embargoes, strikes, labor difficulties, shortage of labor, fuel, power, materials, or supplies, transportation delays, import quota or restrictions, or any other cause or caused (whether or not similar in nature to any of those hereinbefore specified) within or beyond the Company's control. If such conditions or contingencies interfere with the performance of this Agreement, the Company's obligation to perform this Agreement shall cease. The Company will not in any event be liable to Purchaser or its customers for special, incidental or consequential damages for late delivery or non-delivery of the Products for any reason.

6. The retention of any of the Products by Purchaser, or the party designated by Purchaser to receive shipment thereof, for more than 10 days after receipt thereof, without written objection being received by the Company within such 10-day period specifying in detail the basis for such objection, or any action by Purchaser exercising ownership or dominion thereof, shall constitute an unconditional and irrevocable acceptance thereof by Purchaser. Time is not of the essence with respect to the delivery of any of the Products, and insubstantial deviations in the Products or by the Company in its tender thereof to Purchaser shall not entitle Purchaser to reject any Products tendered hereunder.

7. The Company's acceptance of this Agreement and the extension of credit by the Company to Purchaser for the 30-day period hereunder is based upon Purchaser's representation that Purchaser is solvent, able to pay its debts when they become due and in sound financial condition. In the event Purchaser becomes insolvent, is unable to pay its debts as they become due, or has an adverse change in its financial condition, or the Company has cause to believe that any such event has occurred, regardless of the accuracy of the Company's belief, the Company, at its option, may (i) demand payment in full prior to shipment or upon delivery; (ii) cancel this Agreement at any time without liability to Purchaser; or (iii) demand the return of any or all of the Products which have been delivered to Purchaser.

8. The Company agrees, at its sole option, to repair, replace, or refund the purchase price of those Products with respect to which all of the following conditions have been satisfied: (i) the Products have been manufactured in all material respects by the Company, (ii) the Products have not been modified or altered in any way after their delivery by the Company to Purchaser; (iii) Purchaser has first notified the Company in writing of the alleged defective nature of the Products and, if the Products have been installed or incorporated in, or permanently affixed to, any real or personal property, the Company has first been allowed 10 days after the receipt of said notification to inspect to its satisfaction the alleged defective Products and the real or personal property in which they are installed or incorporated or to which they are permanently affixed; (iv) the Products are returned, freight prepaid, to the Company's Joliet, Illinois plant, but in no event later than one year after date of delivery thereof to Purchaser; and (v) the Products are proven by Purchaser, to the satisfaction of the Company, to have been materially defective at the time the Company placed the Products with the carrier or agent for shipment to Purchaser or the party designated by Purchaser to receive shipment thereof. THE COMPANY MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, TO PURCHASER, ITS CUSTOMERS, OR ANY USERS OF THE PRODUCTS, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OF THE PRODUCTS OR OF THE FITNESS OF THE PRODUCTS FOR A PARTICULAR PURPOSE. Such repair, replacement or refund shall be solely remedy that Purchaser, its customers or any users of the Products shall have against the Company with respect to the quality, performance or use of any of the Products, all other remedies which the Purchaser, its customers or any users of the Products might have against the Company, statutory or otherwise,

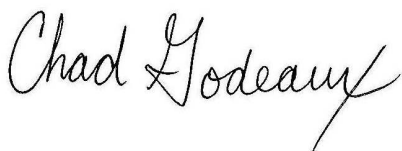
including, without limitation, special, incidental or consequential damages, being hereby expressly excluded. Purchaser hereby agrees to communicate in writing the terms of this Section to its customers. NOTWITHSTANDING ANYTHING TO THE CONTRARY CONTAINED HEREIN, THE COMPANY SHALL HAVE NO OBLIGATION WHATSOEVER TO THE PURCHASER UNDER THIS SECTION 8 OR OTHERWISE IN THE EVENT THAT THE PURCHASER DOES NOT PAY WHEN DUE ANY AND ALL AMOUNTS OWING TO THE COMPANY HEREUNDER.

9. In the event of a default or breach by Purchaser in the performance of any of its obligations hereunder, in addition to any and all other rights and remedies which the Company shall have against Purchaser, Purchaser shall be liable to the Company for all cost and expenses incurred by the Company in enforcing its rights hereunder, including, without limitation, courts cost, expenses of litigation, and reasonable attorney's fees.

10. This Agreement and the performance thereof by the Company and Purchaser shall be governed by and construed in accordance with the laws of the State of Illinois. In addition to any other court wherein Company could institute an action against Purchaser, Purchaser hereby irrevocably submits to the jurisdiction of any United States federal court sitting in the State of Illinois or any Illinois state court in any action or proceeding arising out of or relating to this Agreement and Purchaser hereby irrevocably agrees that all claims and matters in respect to such action or proceeding may be heard and determined in any such court. To the extent permitted by applicable law, Purchaser hereby waives any rights to a jury trial in any action arising hereunder. In the event suit is instituted in a United States federal court sitting in the State of Illinois or any Illinois state court, Purchaser hereby waives any right to object to such filing on venue, forum nonconveniens or similar grounds.

11. Anything to the contrary notwithstanding, any action for alleged breach by the Company of this Agreement, including, without limitation, an action for breach of the warranty herein set forth, shall be barred unless commenced by Purchaser within one (1) year from the date the Products in question were shipped to Purchaser.

12. If any of the provisions of this Agreement shall be invalid or unenforceable, the remainder of this Agreement, or the application of such provisions to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.



Chad Godeaux
President
Rovanco Piping Systems