



Vartek is recognized as the industry's leading manufacturer of PVC hose, supplying its customers with the highest quality products in each of the markets we serve. Vartek produces its products on the most technologically advanced equipment available by a dedicated and experienced work force. Our hose constructions provide the smoothest interior and exterior of any manufacturer and our dimensional tolerance capabilities are the tightest in North America.

OUR OPERATING PRINCIPLES

1. We are dedicated to the principle that our success depends on being a customer-focused organization, listening to our customers to meet the demands and expectations they deserve. We use only virgin materials and adhere to strict quality procedures and standards. We are committed to excellent service and recognize the importance of on-time delivery.
2. We serve fairly and take in to consideration the interest of everyone associated with our business ----- customers, employees, suppliers, community neighbors and the general public.
3. We maintain high ethical standards and demonstrate honesty, integrity and reliability in our relationships, which are reflected in our words, actions and attitude.

VARTEK'S GENERAL TERMS AND CONDITIONS AND LIMITED WARRANTY FOR SALE OF GOODS

These General Terms and Conditions and Limited Warranty shall, unless otherwise agreed in writing, apply to all sales of goods ("Goods") by Vartek (Seller) to Buyer.

1. QUOTATIONS AND ORDERS

Unless otherwise indicated, quotations are valid for thirty (30) days from the date of quotation.

Buyer's purchase shall be confirmed by Seller by means of a written confirmation or acknowledgement ("Purchase Order").

Seller's OFFER, QUOTATION, CONFIRMATION OR ORDER ACKNOWLEDGMENT IS EXPRESSLY LIMITED TO THESE VARTEK GENERAL TERMS AND CONDITIONS AND LIMITED WARRANTY FOR SALE OF GOODS. SELLER OBJECTS TO AND SHALL NOT BE BOUND BY ANY ADDITIONAL OR DIFFERENT TERMS IN BUYER'S PURCHASE ORDER, ORDER ACCEPTANCE OR OTHER DOCUMENT.

2. PRICES

Prices are as specified in Seller's quotation. Prices quoted do not include any applicable taxes, shipping, and import duties. Unless otherwise stated in the quotation, prices include standard commercial packaging.

3. DELIVERY

Delivery times specified in a quotation are deemed to be estimates only. If Buyer or the carrier refuses delivery or delays shipment or acceptance, the Goods may be stored according to Seller's direction, as agent, at Buyer's risk and expense.

4. ACCEPTANCE

Buyer shall be deemed to have accepted the quantity and quality of the Goods as being in conformance with the Buyer's Purchase Order unless the Buyer has notified the Seller of any claimed shortages or nonconformance's within three (3) days from receipt of the Goods.

5. EXCUSABLE DELAY

Seller shall not be liable for any delay in performance caused by circumstances beyond its reasonable control or which would cause Seller to incur unreasonable expense to avoid and, in the event of such a delay, shall be entitled to a reasonable extension of time for performance.

6. TITLE, RISK OF LOSS, AND SECURITY INTEREST

Title and risk of loss for all Goods will pass to Buyer upon delivery of Goods to carrier or shipper. Seller reserves a security interest in each Good until the entire amount due has been paid.

7. TAXES

Any and all state and local sales, use, excise, privilege, and similar taxes imposed on Seller or which Seller has a duty to collect in connection with the sale, delivery, or use of any Goods will appear as separate items on the invoice. If sales to Buyer are exempt from such taxes, Buyer shall furnish to Seller a certificate of exemption.

8. PAYMENT

Except as provide in Seller's quotation, payment terms are cash upon delivery or, at the option of Seller, net thirty (30) days from the date of the invoice. All payments shall be in United States dollars.

All amounts past due shall bear interest 1.5% per month (18% per year).

All payments to Seller under this Purchase Order shall be made in full without any withholding or deduction or right of offset whatsoever.

Seller may change its credit terms and/or suspend performance hereunder when, in the opinion of Seller, Buyer's financial condition or record of payment so warrants. Buyer agrees to pay any third-party collection expenses, including attorney's fees, incurred by Seller to collect any unpaid amounts from Buyer.

9. RETURN POLICY

To return Goods, AUTHORIZATION MUST FIRST BE OBTAINED from the Seller.

All Goods must be returned undamaged and in the same conditions as delivered in unopened wrapping (where applicable), and original shipping containers and packaging. All returned Goods are subject to an inspection at Seller's facility prior to acceptance for credit. Any Goods rejected for return due to damage will be returned to the Buyer. Buyer will be responsible for any taxes, tariffs, and shipping costs on returned Goods.

All returns are subject to a 25% restocking fee. In addition, Buyer shall reimburse all expediting costs incurred by Seller for the initial delivery of the returned Good.

It is the Buyer's responsibility to arrange transportation of the goods and to use packaging that will protect the goods from damage during transit.

10. LIMITED WARRANTY AND DURATION OF WARRANTY

For Goods manufactured by Seller, Seller warrants each Good to be free from any defects in material and workmanship when installed, operated and maintained in accordance with applicable instructions and recommendations of Seller. The obligation of Seller is limited to the replacement or repair of any Good or Goods, at the Seller's discretion, which are claimed by Buyer and determined by Seller to have been defective, and all warranties express or implied shall expire at the end of six (6) months from the date the Good is put into service, but in no event later than twelve (12) months from the date of delivery of the Good. The warranty period on any such repaired or replaced component or a Good shall be the unexpired portion of the warranty on the Good(s) replaced.

(a) For Goods not manufactured by Seller (furnished by Seller at the request of Buyer), the obligation of the Seller is limited to the warranty offered by the manufacturer of the Good.

(b) Seller has fulfilled its obligations under this warranty when it delivers to the Buyer a duly repaired or replacement Good.

(c) This warranty does not cover any cost incurred by the Buyer for the removal and reinstallation of Goods, adjustments, repairs of equipment other than the Goods, or any other work performed in connection therewith; and shall not apply to any equipment or Goods which shall have been repaired or altered other than by Seller in any way, so as, in

the judgment of Seller, to affect their performance or reliability, or which have been subject to misuse, neglect, or accident, whether in operation, in transit, storage, or installation shall have been operated beyond limits. Buyer shall determine the suitability of products for intended use, shall assume all risk and liability, and shall hold Seller harmless and indemnify Seller from any claims or third party claims arising from Buyer's use of Goods.

(d) Seller will consider only written claims under this warranty. Buyer should contact the Vartek office that provided the Goods or service and give details in writing of the defect or the reason for the claim.

11. LIMITATION OF LIABILITY

THE WARRANTY, OBLIGATIONS AND LIABILITIES OF SELLER AND THE RIGHTS AND REMEDIES OF BUYER SET FORTH IN THIS AGREEMENT ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, OBLIGATIONS, OR LIABILITIES EXPRESS OR IMPLIED ARISING BY LAW, IN CONTRACT, TORT (INCLUDING NEGLIGENCE OR STRICT LIABILITY) OR OTHERWISE, INCLUDING BUT NOT LIMITED TO (I) ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, WORKMANLIKE SERVICE OR ANY WARRANTY IMPLIED THROUGH COURSE OF PERFORMANCE, COURSE OF DEALING, OR USAGE OF TRADE OR (II) CLAIMS ARISING OUT OF THE NEGLIGENCE OF SELLER OR SELLER'S SUPPLIERS OR (III) ANY OTHER CLAIM ARISING OUT OF, CONNECTED WITH, OR RESULTING FROM THE DESIGN, MANUFACTURE, SALE, OR USE OF THE GOODS.

NEITHER BUYER NOR SELLER SHALL BE LIABLE FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES OF ANY KIND OR, WITHOUT LIMITING THE FOREGOING, FOR ANY LOST PROFITS OR ANY OTHER LOSSES OR DAMAGES FOR OR ARISING OUT OF ANY LACK OR LOSS OF USE OF THE GOODS OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF SUBSTITUTE GOODS, FACILITIES, SERVICES OR DOWNTIME COSTS OR INCREASED COSTS OF ANY KIND.

IN NO EVENT SHALL THE LIABILITY OF SELLER ARISING HEREUNDER EXCEED FIFTY PERCENT (50%) OF THE TOTAL PRICE OF THE PURCHASE ORDER THAT GIVES RISE TO THE CLAIM.

12. OTHER PROVISIONS

Any illustrations, catalogues or other material provided by the Seller are for reference only and are not to be relied upon by the Buyer as containing any representations, warranties or indemnities, and they shall be treated as confidential and shall not be disclosed to a third party without Seller's written consent.

13. NO WAIVER

The failure of either party to enforce any provision of these terms and conditions shall not be construed as a waiver of such provision or the right thereafter to enforce each and every provision. No waiver by either party, express or implied, of any breach of these terms and conditions shall be construed as a waiver of any other breach of such term or condition.

14. ASSIGNMENT AND SUB-CONTRACTING

Buyer may not assign or otherwise transfer its rights or obligations hereunder without the prior written consent of

Seller. No attempt to assign or transfer in violation of this provision shall be valid or binding upon Seller. Seller may subcontract all or any Good of its obligations under the Purchase Order to a competent third party and may assign the Purchase Order to an affiliate at any time or to a non-affiliate as Good of the sale of Seller's business.

15. GOVERNING LAW AND VENUE

The Offer/Quotation, Purchase Order, Terms and Conditions and Limited Warranty shall be governed by and interpreted in accordance with the laws of the State of Florida. Any dispute arising out of this agreement or between Seller and Buyer shall be brought in the state of federal courts of Hillsborough County, Florida. **THE SELLER AND BUYER AGREE TO WAIVE THEIR RIGHT TO A JURY TRIAL.** Any litigation between the parties shall be tried by bench trial before a judge of competent jurisdiction.

16. ENTIRE AGREEMENT

This Purchase Order supersedes all prior agreements, arrangements and understandings between the parties and constitutes the entire agreement between the parties relating to the subject matter hereof. Buyer warrants to Seller that it has not been induced to enter into this Purchase Order by any prior oral representation (whether innocently or negligently made) except as specifically contained herein.

17. SEVERABILITY

If any provision of this Purchase Order is held by any competent authority to be invalid or unenforceable in whole or in part, the validity of the other provisions of this Purchase Order and the remainder of the provisions in question shall not be affected and shall be enforced to the fullest extent permitted by law.