

TERMS AND CONDITIONS OF SALE

1. The written acceptance by buyer of this contract, the commencement of any work, performance of any services or delivery of any goods does hereby constitute acceptance by buyer of this contract and all of the terms and conditions hereto.
2. HENEVELD SPECIFICALLY OBJECTS TO THE INCLUSION OF ANY DIFFERENT OR ADDITIONAL TERMS OR CONDITIONS BY THE BUYER IN ACKNOWLEDGING THIS CONTRACT.
3. All goods and services received or work performed is subject to buyer's right of inspection before payment or acceptance. Buyer's rejection or revocation of acceptance of any goods, services or work purchased hereunder shall be effective if Buyer notifies Heneveld thereof within 48 hours of delivery. Buyer may return any rejected goods, and buyer may charge Heneveld with the cost of transportation, shipping, repackaging or like expense. Heneveld shall, with all possible speed, correct and replace the goods, services or work rejected by the buyer at Heneveld's expense.
4. Buyer may terminate the work to be performed under this contract in whole or in part at any time by written notice to Heneveld. Heneveld shall immediately stop work on this contract upon receipt of this written notice. Except where termination is caused by default in the delivery or performance by Heneveld, Heneveld shall be entitled to reimbursement for its actual cost incurred up to and including the date of termination of this contract. Heneveld shall also be entitled to a reasonable profit on work done prior to such termination at a rate not exceeding the rate used in establishing the original contract price. In no event shall such claim exceed the value of this contract.
5. Buyer may, at any time, or from time to time issue Change Orders to Heneveld. Such Change Orders may: (a) increase or decrease the operations covered by this contract, including quantity of products ordered; (b) change the drawings, plans specifications or other instructions; (c) make changes in the time or delivery schedule. If such Change Order causes an increase or decrease in the amount of work, product or services hereunder, or in the cost of performance, or in the time required for performance, an adjustment shall be made in the contract price and/or delivery or performance schedule and this contract shall be amended, in writing, accordingly. Any such Change Order shall not be effective until both parties have signed the same. No change or amendment to this contract of any nature shall be valid unless both parties sign a Change Order. No claim for extras, expense or otherwise shall be made by buyer for additional work, serviced products, except by written Change Order signed by both parties, unless such claim is pursuant to a Verbal Change Order within the time frame set forth in Paragraph 6.
6. Verbal Change Orders of less than Five Hundred Dollars (\$500.00) do not require a written Change Order. Verbal Change Orders of greater than Five Hundred Dollars (\$500.00) do require a written Change Order. Verbal Change Orders relative to or altering this contract may be made if both parties agree to said changes and a written Change Order (when required) is subsequently signed by both parties within seventy-two (72) hours. Verbal changes may only be made by the parties (or officers of the parties) which have executed this contract. Employees or agents of either party shall specifically have no authority to make Verbal Change Orders, and the parties hereby agree that any such attempted Verbal Change order shall be unlawful and unenforceable.
7. Deliveries of material ordered shall be limited to the quantities specified in this contract. Shipments in excess of those authorized may be returned to Heneveld at its cost.
8. Buyer may withhold and retain ten percent (10%) of the amount of this contract otherwise payable to Heneveld until such time as the Buyer has accepted the work, service, or product.
9. Buyer shall supply Heneveld written Certificate of Sales Tax Exemption. Heneveld shall be liable for and pay any personal, sales, excise, use or other taxes applicable to the sale, storage, use or ownership of the goods or services sold to end user/non-tax exempt entities covered hereby.
10. Heneveld shall provide: (a) Workmen's Compensation Insurance covering all its employees, (b) Public liability insurance with limits of one million dollars (\$1,000,000.00) and shall provide buyer a certificate evidencing such coverage upon written request.
11. Buyer agrees to indemnify and hold Heneveld harmless, and assume any legal liability to defend Heneveld, its agents, employees, officers and directors, from any claim or action by any third party (including buyer) arising out of delivery or use of materials, or performance of work pursuant to this contract, or from the presence of the buyer's employees on job site in connection with this contract.
12. Heneveld warrants material or service supplied hereunder shall conform to the manufacturer's published specifications. HENEVELD MAKES NO WARRANTY OF MERCHANTABILITY AND THERE IS NO WARRANTY THAT GOODS OR SERVICES SUPPLIED HEREUNDER SHALL BE FIT FOR ANY PARTICULAR PURPOSE NOR IS THERE ANY OTHER WARRANTY, EXPRESSED OR IMPLIED, EXCEPT AS EXPRESSLY PROVIDED HEREUNDER. Any recommendations made by Heneveld concerning use, design or application of said goods are believed reliable, but Heneveld makes no warranty of results to be obtained. With respect to any goods that are defective, buyer agrees that its sole remedy against Heneveld is that they will repair or replace the same at its own risk and expense upon written notification from the buyer of any defect or failure. Heneveld shall in no event be responsible for consequential or punitive damages or lost profits. The buyer's remedies for any alleged breach by Heneveld are limited to those provided by the Michigan Uniform Commercial Code.
13. This contract shall not be modified, rescinded or canceled, except in writing signed by Heneveld and the buyer.
14. All claims arising out of this contract by either Heneveld or the buyer shall be commenced within one (1) year from the date of the cause of action. The parties agree that any controversy or claim arising out of this contract, or claimed breach thereof, shall be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and any judgement upon the award rendered by the arbitrators may be entered in Kent County Circuit Court, State of Michigan. This contract shall be deemed to have been made in Kent County, Michigan. Any action arising out of this contract shall only be brought in the City of Grand Rapids, Kent County, Michigan or in the United States District Court for the Western District of Michigan. Buyer consents that such courts and arbitrators shall have jurisdiction over buyer with respect to any action. The prevailing party in any arbitration or court action shall be entitled to all reasonable attorney's fees, costs, and other expenses incurred in such action. This shall apply to this contract and all Change Orders, modifications or amendments.
15. Buyer agrees to pay a service charge of 1.5% per month on any invoice outstanding after 30 days from receipt of goods and services.