



Terms & Conditions of Sale

These Terms and Conditions are part of, and incorporated into, Sales Agreement between Mountain Light Company (the Company) and any individual or organization purchasing equipment (the Customer).

1. Sale of Equipment

The Company shall sell to Customer and Customer shall purchase from the Company, the equipment set forth on the face of this Agreement (the "Equipment"), and all other items and services set forth on the face of this document (the "Services"), upon the terms and subject to the conditions set forth hereafter.

2. Price

Customer shall pay the Company the purchase price(s) for the Equipment and Services as set forth in the face of this Agreement (the "Price").

3. Delivery

Delivery will be made F.O.B. place of shipment, with shipping charges to be paid by Customer. The Company shall ship the Equipment to the destination designated by Customer and shall use its best efforts to do so on the shipment date. Risk of loss or damage to any Equipment shall pass to Customer upon delivery of such Equipment to the common carrier.

4. Terms of Payment

Payment terms are COD, unless otherwise approved by the Company in advance. Upon submission of a credit application by the Customer and approval by the Company, the Customer can submit a purchase order, at which time a percentage of the Price is due and payable by Customer. The balance due on the Price and any and all other amounts due the Company by Customer shall be payable to the Company within thirty (30) days of the date of the Company's invoice for the Equipment purchased under the purchase order. All such remaining amounts will be invoiced upon shipment. All amounts past due over thirty (30) days shall accrue interest from the due date at the rate of 1.5 percent per month (or such lesser rate as may be the maximum permissible rate under applicable law). Until the full purchase price is paid to the Company by Customer, the Company shall retain a security interest in the Equipment, and Customer shall not sell or lease the Equipment or allow any liens or encumbrances to attach to the Equipment. Title to the Equipment shall pass to Customer upon full payment of the Price and it shall be free and clear of all liens and encumbrances. The provisions of this Paragraph 4 shall survive any termination of these terms and conditions.

5. Limited Warranty

All Equipment sold by the Company hereunder is sold "AS-IS" without warranty, provided that Customer shall be entitled to a warranty, if any, provided by the manufacturer.

THE MANUFACTURER'S WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE.

IN NO EVENT SHALL THE COMPANY OR THE MANUFACTURER BE LIABLE FOR ANY INTERRUPTION OF BUSINESS, OR SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSSES OR DAMAGES OF ANY KIND OR NATURE WHATSOEVER EVEN IF THE COMPANY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSS OR DAMAGE.

6. Waiver of Claims

Customer's receipt of any of the Equipment will constitute an unqualified acceptance of such Equipment and a waiver of any and all claims with respect to such Equipment (other than warranty claims to the manufacturer) unless Customer gives the Company written notice of its claim within thirty (30) days after receipt of the Equipment.

7. Termination

The Company shall have the right to terminate this Agreement and, at its option, take possession of the Equipment, if (i) in the Company's reasonable judgment, Customer's financial condition does not justify the terms of payment specified above, unless Customer immediately pays for all Equipment which has been delivered, and pays in advance for the balance of Equipment remaining to be delivered; (ii) Customer makes an assignment for the benefit of creditors, or a receiver, trustee in bankruptcy, or similar officer is appointed to take charge of all or any part of Customer's property or business; (iii) Customer is adjudicated bankrupt; or (iv) Customer neglects or fails to perform or observe any of its obligations hereunder and such condition is not remedied within ten (10) days after written notice to Customer.

8. Force Majeure

If the performance of either party is made impossible by reason of any circumstances beyond such party's reasonable control, including without limitation, fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies, any law, order, regulation, ordinance, or requirement of any government or legal body or any representative of any such government or legal body, labor unrest,

including without limitation, strikes, slowdowns, picketing, or boycotts, then the affected party shall be excused from such performance on a day-for-day basis to the extent of such interference, provided that it shall use reasonable efforts to remove such causes of nonperformance.

9. Taxes

Customer shall be responsible for the payment of all export and local excise, sales, use, property, and other taxes or charges levied with respect to the Equipment sold to Customer hereunder. Taxes and other charges will be added by the Company to the purchase price where the Company has the legal obligation to collect the same and will be invoiced and paid by Customer unless Customer provides the Company with a proper tax exemption certificate.

10. Attorneys' Fees

If either party brings any legal action or other proceeding to collect for monies due by the other party hereunder, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs.

11. Governing Law

These terms and conditions shall be construed and governed in all respects in accordance with Colorado law, excluding its principles of conflicts of laws, and the parties hereto irrevocably submit to the jurisdiction of the State of Colorado and the venue of El Paso County in any action brought by the parties hereto concerning this Agreement or the performance thereof.

12. Order Cancellation

This Agreement and all orders placed under it that are accepted by Company are non-cancelable.

13. Entire Agreement

These terms and conditions constitute the entire agreement between the parties and there are no representations, warranties, covenants, or obligations except as set forth herein. None of Customer's terms and conditions, if any, shall apply in acknowledging these terms and conditions or in the delivery of a purchase order, nor shall any modification or amendment be effected by the acknowledgement or acceptance of Customer's purchase order form or other forms containing additional or differing terms and conditions. Reference to Customer's bids or proposals, or noted on any purchase order or otherwise, shall not affect the provisions hereof. These terms and conditions supersede all prior and contemporaneous agreements, purchase orders, understandings, negotiations, and discussions, written or oral, of the parties hereto.