



Advanced Cabinet Systems (ACS) a division of JGBowers, Inc. Buyer Terms, & Conditions

These terms and conditions are to begin and be effective upon ACS signed date of approval.

CREDIT POLICY

All Buyers of Advanced Cabinet Systems (ACS) must complete a credit application, with current information, which must be signed by an owner or officer. Based on the Buyer's credit application rating or if the application is incomplete, Buyer may be required to pay a deposit on the contract or purchase order amount before submittals will be sent. Any unpaid balance, upon which payments are not made according to the terms governing the sale, will be considered "Past Due" and will increase by a maximum of 2% per month, without forfeit of ACS's right to payment. Any Buyer who has failed to pay for goods delivered or services rendered in a timely manner shall be liable for all fees, expenses, disbursements, and charges (including all legal costs) incurred by ACS in collecting monies owed, as well as interest (at 24% per annum). ACS reserves the right to change these terms, or cancel orders, and must notify the Buyer 30 days prior to changes or cancellations being made.

TERMS OF PAYMENT

ACS offers a discount of 1% net 10-day terms on invoices for finished casework if payment is made in full without retainage being withheld and postmarked by the 10th day. Invoices for Freight/Delivery/Fuel Surcharges/Storage are not offered with discount terms. Otherwise, Buyer agrees to pay amount invoiced in full within net 30-day terms from the invoice date. 2% interest per month will be charged on the balance owed beginning the first day the invoice becomes past due. Work on projects may be delayed if payments are not received on time or if Buyer's account is in "Past Due" status.

A signed Joint Check Agreement may be required due to Buyer's credit rating or incomplete credit application. The Buyer agrees to sign a Joint Check Agreement and submit the following documentation at the time a Purchase Order is issued:

1. Name and contact information for the General Contractor or Construction Manager on the project.
2. A copy of the Sub-Contract, Prime Contract, or Purchase Order issued to the Buyer from the client.
3. ACS has the right to contact the General Contractor, Construction Manager, Architect, or Owner regarding the project in the event the Buyer fails to respond in a timely manner.

PURCHASE ORDERS

The ACS Buyer Agreement Terms and Conditions and ACS Proposal Form supersedes any purchase orders received from the Buyer. For existing Buyers, orders will not be accepted if the Buyer's account is in past due status. For new Buyers, purchase orders will not be accepted until credit references are provided and verified. When applicable, purchase orders will not be accepted without the documents previously mentioned above and a signed Joint Check Agreement. ACS has the right to contact the General Contractor, Construction Manager, Architect, or Owner if Buyer does not submit information per the project cycle chart. Purchase orders must include the following: "Bill To" and "Ship To" information—Company Name (Ship To company may be end user or installation company), Address, Telephone, Fax, Contact Person; End User Company Name; Requested Start Date; Purchase Order Number; Special Delivery, Shipping and Packing Instructions (if applicable). Signed proposals may be accepted in lieu of a PO.

BACK CHARGES, ORDER CHANGES, AND CANCELLATIONS

If Buyer needs to add, alter, adjust ACS drawings, any changes must be clearly differentiated from originally submitted ACS drawings. In addition, ACS will not be held responsible or liable for any changes made to ACS drawings by anyone other than ACS staff. Back charges must be received within one (1) calendar month after the project or phase date of delivery, or back charges will be null and void. All changes to or cancellations of projects contracted to ACS must be in writing and sent to the Project Manager. Projects may be changed or cancelled by either party without penalty if notification is sent prior to commencement of work and ordering of materials. Order changes or cancellations made after materials have been ordered will incur the accumulated cost to date or 10% of the net order value, whichever is greater. Irrespective of when notified, changes or cancellations are not binding upon ACS until ACS issues a written acknowledgment of the change or cancellation. Order changes are defined as the deletion of line items; changes in style, color, quantity or requested start date; or address changes. Order changes that result in a quantity reduction may be subject to an additional small project fee or adjustment in pricing.



TAXES

Buyer is responsible to remit all tax. ACS requires a State Resale/Exemption Certification to be on file at its main office. Sales made without said Certificate will be charged the appropriate sales tax within the state of Indiana. Sales outside the state of Indiana is the responsibility of the Buyer to submit a use tax payment in lieu of paying sales tax to ACS.

SHIPPING AND DELIVERY

All ACS orders are acknowledged with a promise date (scheduled start date) based on the materials with the longest lead time. Large orders may increase standard start time availability. Freight, shipping, delivery charges, if applicable, will be billed to the Buyer.

DELIVERY SHORTAGES

Product shortages must be clearly documented on the carrier's bill of lading or packing list and noted to the carrier for correction. Bill of lading or packing list must be signed prior to the driver's departure. Claims for shortages must be made in writing within three (3) calendar days of the date of delivery or Buyer waives its right to make such a claim.

FREIGHT CLAIMS

ACS will file all F.O.B. destination claims. In order to receive credit, Buyer agrees to cooperate and assist in the procedures set by the carrier and ACS.

EXTERNAL DAMAGE

If the shipping container shows any external damage, Buyer is instructed to refuse the product at time of delivery. If it is a multiple piece shipment, Buyer may refuse only the damaged items. ACS will not issue full credit for returned product unless Buyer takes the following action steps:

1. Note damage on the delivery receipt and bill of lading at the time of delivery.
2. Refuse product at time of delivery.
3. Contact ACS Project Manager within three (3) calendar days of the attempted delivery and advise them of the damage.
4. Enter a replacement order, credit will be issued after the disposition of the damaged product is determined.

CONCEALED DAMAGE

If Buyer finds that there is internal damage not visible at the time of delivery, Buyer will retain all packaging materials and take the following action steps within three (3) calendar days from the date of delivery:

1. Request an inspection and report by calling local freight carrier to report the damage.
2. Retain merchandise in the packaging material.
3. Call your ACS Project Manager to provide order and product information.
4. Enter a replacement order, credit will be issued after the disposition of the damaged product is determined.

STORAGE

If Buyer is unable to begin work or accept delivery on time, for any reason, ACS, if notified in writing will store materials at Buyer's expense. ACS shall invoice Buyer for the product and monthly Storage Fees. Storage Fees will be \$500.00 per mobilization, and \$75.00 per week of storage. Storage Fees are calculated with a one-week minimum and will not be pro-rated. If Buyer is unable to commence work on time, Buyer shall be responsible for placing the product in storage and bears the risk of loss. However, payment of the balance due is per ACS's Terms of Payment from the original scheduled date of commencement of work.

WARRANTY

All work completed by ACS carries a one (1) year guarantee and Limited Warranty to the original owner against defective material and workmanship. This is a warranty of repair or replacement in the event proper repairs are not feasible only, whereby ACS will correct defects in material and/or workmanship without charge. ACS specifically does not warrant any product or hardware which has been misused, exposed to excessive loads, abused, or was not part of the ACS scope of work. To enforce your rights under this warranty, you must give written notice to ACS within 30 calendar days of the date of discovery of the defect. The address of ACS for receipt of notices is as follows:

Advanced Cabinet Systems
ATTN: Warranty Claim
PO Box 167
Marion, Indiana 46952
(765) 677-5089 (FAX)

IN NO EVENT SHALL ACS BE LIABLE FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES CAUSED FROM THE MISUSE, FAULTY INSTALLATION, OR MODIFICATION OF ITS PRODUCTS OR ANY HARDWARE CONTAINED IN OR ON ITS PRODUCTS. THIS EXPRESS LIMITED WARRANTY IS EXCLUSIVE AND IN LIEU OF ANY OTHER WARRANTIES OF ACS. ALL WARRANTIES IMPLIED BY LAW, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY WAIVED AND DISCLAIMED.

Advertising and Sales Promotion:

1. Upon request, ACS will provide training of Buyer's sales and service professionals.
2. Upon request, ACS will Participate in the development of the Buyer's annual business plan, sales goals and provide periodic reviews.
3. Upon request, ACS will provide Buyer with catalogs and marketing materials.
4. Upon request, ACS will provide Buyer with rights to the ACS logo to be published on the Buyer's website and marketing materials.
5. Upon request, ACS will provide Buyer with rights to the MasterSpec logo to be published on the Buyer's website and marketing materials.

Term, Limitations, Termination

1. The term of this Agreement is twelve (12) months from the date of acceptance by Buyer and ACS. This Agreement shall automatically renew on each subsequent year for a one-year term unless it is terminated earlier in accordance with this Agreement.
2. ACS or Buyer may terminate this Agreement without cause at any time upon thirty (30) days written notice, except that neither the expiration nor earlier termination of this Agreement shall release either party from any obligation which has accrued as of the date of termination.
4. ACS may, from time to time, publish written amendments to this Agreement at www.advancedcabinetsystems.com. Any such amendment will automatically become a part of this Agreement thirty (30) days from the date of the publication, unless otherwise specified.

Use of ACS Logo and Marketing Materials

1. Buyer acknowledges ACS owns all rights, titles and interests in the ACS names and logotypes and that ACS is the owner of other trademarks and trade names used about certain product lines.
2. During the term of this Agreement, Buyer may indicate to the public that it is an Authorized Buyer of ACS products.
4. During the term of this Agreement, Buyer may indicate to the public that it is in partnership with ARCOM/MasterSpec and holds the rights to specification section 123216.
5. During the term of this Agreement, Buyer may indicate to the public that it is in partnership with a registered member of the Architectural Woodwork Institute (AWI) and a licensed participant in the Quality Certification Program (QCP).
5. At the expiration or termination of this Agreement, Buyer shall immediately discontinue any use of ACS names or trademarks.

Proprietary Information

ACS and Buyer shall each exercise due diligence to maintain in confidence and not disclose to any third party any proprietary information furnished by the other to it on a confidential basis and identified as such when furnished. Except in accordance with this Agreement, neither party shall use such information without permission of the party that furnished it.

Government Contract Conditions

If Buyer elects to sell ACS products or services to U.S., State, or Local Governments, Buyer does so solely at its own option and risk, and agrees not to obligate ACS as a subcontractor, prime contractor, or otherwise to U.S., State, or Local Governments. Buyer remains solely and exclusively responsible for compliance with all statutes and regulations governing sales to U.S., State, and Local Governments. ACS makes no representations, certifications, or warranties whatsoever with respect to the ability of its goods, services, or prices to satisfy any such statutes and regulations.



Markets & Territories

As a Buyer of ACS products, you are hereby granted exclusive rights to sell ACS products for the selected market in the territory listed below:

Defined territory: Arkansas, Illinois, Iowa, Kansas, Missouri

By signing below, I acknowledge that I have read and agree to these Terms and Conditions as set forth by Advanced Cabinet Systems a division of JGBowers, Inc.

Buyer (signature): _____

Buyer (printed name): _____

Date: ____ / ____ / ____

Advanced Cabinet Systems (signature): _____

Advanced Cabinet Systems (printed name): _____

ACS Date of Approval: ____ / ____ / ____