

SALES TERMS AND CONDITIONS

1. DEFINITIONS. "CUSTOMER" shall mean the person or entity described on the face hereof as the CUSTOMER "Goods" shall mean the products described on the face hereof as being sold to CUSTOMER. "PCS" shall mean Preferred Computer Systems

2. ACCEPTANCE. Notwithstanding anything in CUSTOMER's form of Purchase Order or other order form to the contrary in each Purchase Order immediately upon receipt of all corresponding invoices. CUSTOMER's acceptance of the Goods shall constitute an affirmation by CUSTOMER that the terms and conditions set forth in this Agreement govern the purchase and sale of the Goods and that the terms in CUSTOMER'S order forms that are in addition to, in conflict with or are different from the terms and conditions herein shall have no effect on this transaction. The contract formed in accordance with the foregoing shall be referred to as the "Order".

3. PURCHASE PRICE. The CUSTOMER agrees to pay the total purchase price as specified in each Purchase Order immediately upon receipt of all corresponding invoices. In addition, the CUSTOMER agrees to pay any sales or other taxes levied on or measured by such purchase price, or arising from the use of the Goods and any parts or maintenance supplied, including without any limitation, any additional sales, use, gross receipts, privilege, excise, and personal property taxes unless otherwise specified in writing.

4. PAYMENT TERMS. The total amount of each invoice shall be payable in full by CUSTOMER within thirty (30) days after the date of each invoice, unless otherwise specified in writing. All amounts past due are subject to a late charge of one and one-half percent (1 1/2%) per month or the maximum amount permitted by applicable law. **It is expressly stated that all Payments must be delivered to Preferred Computer Systems headquarters located at 212 West Spring Valley Road, Richardson , Dallas County, TX 75081.**

5. DELIVERY. Delivery shall take place at PCS unless otherwise specified in writing.

6. INSPECTION. The CUSTOMER shall inspect the Goods at delivery and shall notify PCS of any defects or discrepancies within five (5) days of receipt of Goods in writing. Otherwise, Customer will be deemed to have accepted the Goods in their AS IS condition and PCS will have no further responsibility as to the condition of such goods.

7. TITLE AND RISK OF LOSS. Title and Risk of loss or damage to the Goods shall pass to the CUSTOMER on the date of shipping product(s) to the CUSTOMER; provided, however, that PCS will retain its security interest in the Goods until Customer's full payment of such Goods.

8. LIMITED WARRANTY. PCS offers no warranty other than the one year express warranty offered by the manufacturer. In the event any Good has a manufacturer's warranty beyond one year, it is the CUSTOMER's responsibility to deal directly with the manufacturer for any repairs or replacements that occur beyond the one year warranty period. During this one year manufacturer's warranty period, PCS will repair or replace all Goods according to the terms of the manufacturer's warranty. However, PCS will not warrant any Goods which have been subjected to improper freight handling/shipping, abuse, neglect, or unauthorized repair or installation. The warranty also will not cover Goods installed with non-PCS components, and parts with broken warranty seals or assembly trace. The warranty policy does not extend beyond the original CUSTOMER. PCS reserves the right to request the total cost of the replacement of Goods or the Goods itself, if later to be found physically damaged by the CUSTOMER.

9. DISCLAIMER OF WARRANTY. PCS MAKES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR PCS'S LIABILITY OF ANY KIND (INCLUDING, WITHOUT LIMITATION, NEGLIGENCE AND THE BREACH OF ANY AND ALL WARRANTIES) SHALL BE LIMITED TO THE REPLACEMENT OF DEFECTIVE GOODS AT NO CHARGE TO CUSTOMER. IN NO EVENT SHALL PCS'S LIABILITY INCLUDE ANY SPECIAL, INCIDENTAL, CONSEQUENTIAL OR EXEMPLARY LOSSES OR DAMAGES, EVEN IF PCS SHALL HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH POTENTIAL, LOSS OR DAMAGE.

10. ALTERATIONS, MODIFICATIONS AND ATTACHMENTS. Any alterations, modifications, additions, improvements, installation or attachments on the Goods not authorized in writing by PCS shall solely be at the CUSTOMER's own expense and risk. If operation of the Goods is affected in any way by such unauthorized alteration, modifications, additions, improvements, attachments or installation the warranty shall be deemed waived by the CUSTOMER, and PCS shall have no obligation to the CUSTOMER.

11. RETURN OF GOODS/DAMAGED ON ARRIVAL (DOA). PCS will not accept any returned Goods or DOA Goods during the manufacturer's warranty period unless, CUSTOMER follows PCS's Return Merchandise Procedure and Policy. CUSTOMER is responsible for the difference of the freight charges if the shipping instructions require an express delivery. The charge will be Cash on Delivery (C.O.D).

12. FORCE MAJEURE. PCS shall not be held responsible for any failure of performance to make timely delivery of all or any part of the Goods in the event such failure was due, in whole or in part, to federal, state or municipal action, statute, ordinance or regulation, strike or other labor trouble, fire or other damage to or destruction of, in whole or in part, the Goods or the manufacturing facility for the Goods, the lack of or inability to obtain raw materials, labor, fuel, electrical power, water or supplies, or any other cause, act of God, contingency or circumstance's within the United States not subject to the control of PCS, which cause or hinders the manufacture or delivery of Goods.

13. CANCELLATION. An order may not be canceled, in whole or in part by CUSTOMER without PCS's prior written consent and only upon terms and conditions that will indemnify, hold harmless and compensate PCS, against loss including, but not limited to, the loss of profits as a result of such cancellation.

14. SECURITY AGREEMENT. Until CUSTOMER performs all of its obligations hereunder (including, without limitation, payment in full of the purchase price), PCS shall retain a purchase money security interest in the Goods (including all accessions and replacements thereto and the proceeds hereof) to secure the performance by CUSTOMER of all such obligations CUSTOMER hereby appoints PCS as its attorney-in-fact to prepare, sign and file (or record) in CUSTOMER's name any financing statement or other document necessary to perfect PCS's security interest. CUSTOMER shall, upon request by PCS, promptly execute any financing statement or other document and take any other action deemed desirable by PCS in order to perfect PCS's security interest.

15. ATTORNEYS' FEES. If any suit or action to enforce or to interpret any of the terms, conditions or covenants herein, or to recover damages as a result of a breach of any provision of this Order, the prevailing party shall be entitled to recover from the party not prevailing the costs and expenses, including reasonable attorneys' fees incurred by the prevailing party in prosecuting or defending such action and any appeals taken thereafter.

16. ASSIGNMENT. No right duty or interest in this Order may be assigned or delegated by either party without the prior written consent of the other party, which consent shall not be unreasonably withheld.

17. GOVERNING LAW/VENUE. This Agreement and the rights and obligations of CUSTOMER and PCS shall be governed by and construed in accordance with the laws of the State of Texas, excluding its choice of law provisions. All disputes arising under or related to this Agreement which are not settled by agreement of the parties shall be litigated in the state or federal courts in the State of Texas, County of Dallas.

18. SEVERABILITY. If at any time any one or more of the provisions of this Invoice becomes or is held by a court to be invalid, illegal or unenforceable in any respect, the validity and enforceability of the remaining provisions of this Invoice shall not in any way be affected or impaired thereby.

19. ENTIRE AGREEMENT. This Invoice sets forth the entire agreement between CUSTOMER and PCS and exclusively determines the rights and obligation of CUSTOMER and PCS, notwithstanding any prior course of dealing, custom or usage of trade or course of performance or any additional or different terms proposed by CUSTOMER at any time.

20. COUNTERPARTS. This Agreement may be executed in any number of identical counterparts each of which will be deemed to be an original. A facsimile or similar transmission of a counterpart of this Agreement signed by a party will be regarded as signed by such party for such purposes.

Authorized Signature _____

Print Name

Title _____

Date _____