



APPLIED INNOVATIVE TECHNOLOGIES, INC.
Developing useful and unique products that have lasting performance

CUSTOMER INFORMATION FORM

Date:

Company Name:

Address:

City: State/Region:

Country: Zip Code:

Telephone #: Fax #:

Business Website Address:

Business Registration: Corporation () Partnership () Sole Proprietorship () LLC ()

Years in Business: Federal Tax Identification Number:

Sales Tax (Re-Sale) License/Certificate Number:

A copy of Buyer's current Business License and Sales Tax (Re-Sale) License/Certificate must be submitted in order to receive Wholesale Pricing.

Countries/States Business Conducted In:

Credit Rating:

Credit Rating Agency: Dun & Bradstreet (), Equifax (), Experian (TRW) (), TUC (Trans Union) (), Other (Please Identify):

Gross Revenue for previous year:

Similar Product Lines Presently Distributed:

Number of SKU's distributed:

Distribution channels: Store Front Catalog Internet Other

URL Address (if distribution channel is the Internet):

Number of sales representatives supporting company:

Preferred Freight Forwarding Company:

Company Profile (If preferred, please submit summary as attachment):

Bank Name:
Address:
Contact Name:
Title:
Telephone #:
Fax #:
E-mail Address:

Please provide contact information of companies that you provide distribution services for.

Company Name:
Address:
Contact Name:
Title:
Telephone #:
Fax #:
Years doing business with:

Company Name:
Address:
Contact Name:
Title:
Telephone #:
Fax #:
Years doing business with:

Company Name:
Address:
Contact Name:
Title:
Telephone #:
Fax #:
Years doing business with:

Authorized Representative's Printed Name:

Signature:

Title:

E-mail Address:

Direct Telephone Number:

Standard Terms and Conditions of Sale

Acceptance. Acceptance by Applied Innovative Technologies, Inc. ("Supplier") of the buyer's ("Buyer") wholesale product purchase order ("Offer") is expressly made conditional on Buyer's assent to all of Supplier's terms as set forth herein that are additional to or different from those terms set forth in the Offer. Any of the terms and provisions of the Offer which are different from, in addition to, or inconsistent with the terms and conditions herein shall not be binding on the Supplier and shall not be considered applicable to the sale, license or shipment of Supplier's merchandise ("Product" or "Products"). Supplier makes sales of its Products only under these terms and conditions unless otherwise agreed to in writing by a duly authorized representative of the Supplier. These terms and conditions may also be referred to herein as "this Agreement."

Taxes and Duties. All prices are stated in United States dollars and are subject to change without notice prior to Supplier's acceptance of the Offer. Unless separately stated on the face of Supplier's invoice, all prices are quoted, all orders accepted and all billings rendered exclusive of all international and United States of America, federal, state, and municipal taxes of any kind, now or hereafter enacted, including, without limitation, any sales, use, excise, or property taxes, or import duties or withholding taxes. Supplier will not report, collect, or pay any tax which may be imposed on Buyer and Buyer shall report and pay all such imposed taxes, or such taxes will be added by Supplier to the invoice where Supplier is required by law to collect the same, unless Buyer provides Supplier with a proper tax exemption or reseller certificate.

Limited Warranty. Supplier extends for specific Products, as stated on Product packaging or associated literature, a limited warranty from the time of the end user's date of purchase of the Product that the Product will be free from defects in materials and workmanship for the original owner whose name appears on the returned warranty card. Supplier agrees to either repair or replace non-conforming goods at its option within sixty (60) days of notification of such non-conformance from the Buyer. The above warranty does not apply to any (i) Products other than those warranted above; or (ii) Products that have been repaired or altered (except by Supplier); or (iii) Products that have been subjected to misuse, negligence, accident or operation outside of Supplier's environmental specifications. The warranty period of any Product shall not be extended due to any repair or replacement by Supplier of such Product under the above warranty. Buyer must extend to its end users a warranty on Supplier's behalf containing the limited warranty terms set forth in this Section.

Disclaimer. Subject to the express warranties set forth herein, buyer takes the equipment strictly "as is" and supplier disclaims all warranties, expressed or implied, including, without limitation, implied warranties of merchantability, fitness for a particular purpose, title, and noninfringement. Buyer agrees to indemnify and hold Supplier harmless from any and all claims, actions, or liabilities arising from the use by the Buyer or the Product's end users of Products manufactured or distributed by Supplier.

Supplier's Trademarks and Symbols. Buyer may use Supplier's trademarks, trade names or any other symbols (the "Marks") solely in compliance with the Supplier's trademark usage guidelines (which may be amended by Supplier from time to time in Supplier's sole discretion) and only for the purpose of identifying and advertising the Product within the scope of this Agreement. All benefit and goodwill derived from the Buyer's use of the Marks, as allowed herein, shall inure solely to the Supplier. Buyer agrees neither to register, nor to have registered any trademarks, trade names or symbols of the Supplier.

Buyer Specific Product Labeling and/or Containerization. Unique product labeling and/or containerization produced by Supplier for Buyer shall be subject to additional charges to be paid by Buyer. Buyer accepts delivery of all merchandise manufactured to Buyer's custom specifications upon completion of merchandise manufacturing.

Product Purchasing. Wholesale price availability is contingent upon full completion and submission of Supplier's "Buyer Information Form" and other requested information by Supplier as may be periodically requested. Buyer must submit by facsimile or United States mail written purchase order committing to minimum quantity of 20 units (one case). Buyer shall clearly define Product receipt dates on the purchase order. Closure of purchase order requires payment in full. Buyer's purchase orders must be accepted by Supplier in Ft. Lupton, Colorado and Supplier reserves the right to reject all or part of any purchase order or any modification by Buyer. Supplier will notify Buyer if Supplier is unable to accept and process a purchase order for shipment.

Product Availability. Order fulfillment is contingent upon the availability of raw materials required for the manufacture of Product. Supplier shall not be deemed in breach of this agreement for delay in manufacture or delivery where such raw materials are unavailable. In such cases, Supplier may cancel Buyer's Offer and deliver to Buyer completed portion of order.

Purchase Order Revisions. Following Supplier's acceptance of Buyer's purchase order, any quantity, delivery date, or other change requested by Buyer shall be in writing and shall be construed as a request to modify the Offer. Such request will not be effective unless accepted in writing by Supplier. If the change effects originally quoted delivery time and/or costs, Buyer will be invoiced a progress invoice for work completed at the time the change was agreed to.

Order Cancellation by Buyer. Buyer shall notify Supplier in writing of order cancellation not less than 14 calendar days before the scheduled ship date of the Product. Buyer must pay Supplier for the expenditures for components, labor incurred, handling, and overhead, and for all work completed to date and in progress but not yet delivered to Buyer on orders cancelled 14 calendar days or less before scheduled shipped date. This remedy is without prejudice to such other and additional rights as are available to Supplier under the law.

Delivery and Title. Products will originate from Supplier's warehouse, Fort Lupton, Colorado or Hong Kong, China and ship to the location specified in the Offer. Regardless of which party is responsible for freight costs, the risk of loss and title will pass to Buyer at the time when Supplier places the Products on board with the freight carrier. Goods delivered shall not be considered accepted on a "Trial" or "Approval" basis. Supplier is not responsible for Product delivery delays resulting from freight carrier actions or circumstances beyond Supplier's or freight carrier's control.

Invoicing. Supplier invoices are based on actual shipments. Supplier must approve any requested deviations from actual shipment invoicing.

Payment – United States. 1) The Buyer shall pre-pay for Product prior to pickup by freight carrier unless otherwise agreed upon terms are established between Buyer and Supplier and accepted in writing by Supplier. 2) Credit terms may be extended to Buyer after submission by Buyer of credit application and approval of credit limit by Supplier.

Payment - International –1) With submission of Buyer's purchase order Supplier will provide Buyer with Performa Invoice. 2) Buyer shall wire transfer the full Performa Invoice amount to Supplier's bank. 3) Costs associated with wire transfer are Buyer's responsibility. 4) If Buyer has not submitted payment to Supplier's bank within ten (10) days of receipt of Supplier's Performa Invoice then purchase order shall be voided by Supplier. 5) All payments will be made in the currency of the United States of America. 5) In the event of payment disagreement, Buyer shall identify in writing to Supplier reason for discrepancy and provide corresponding documentation within 30 calendar days of Supplier's invoice receipt.

Invoice Interest and Collections. Invoice amounts not paid in full within stated time frame will be subject to a monthly interest rate charge of 1.5 percent. Invoices that become 30 calendar days past due will be submitted to a collection service. The Buyer shall be responsible for monthly interest fees and all costs associated with invoice collection including but not limited to costs associated with collection service and/or attorney's fees.

Deductions and Off Sets. Sums payable by Buyer, if any, shall be subject to all claims or defenses of Supplier, whether arising from this order or from any other transaction or occurrence between the parties, and Supplier may off set and deduct against any such sums any indebtedness of Buyer to Supplier. Supplier shall notify Buyer in writing of any debits taken by Supplier against Buyer's account as a result of any such adjustments. Buyer shall be deemed to have accepted such adjustments unless within 30 calendar days following its receipt of Supplier's notification, Buyer provides Supplier with a written protest explaining why adjustment should not be made accompanied by relevant documentation.

Restocking Fee. A handling and restocking fee of US\$5 (Five Dollars) per unit will be assessed Buyer for returned merchandise excluding Product that is defective.

Force Majeure. Supplier will not be liable for any delay or failure in performance resulting from labor disputes, war, riot, insurrection, fire, flood, accident, storm, act of God, or other causes beyond its control, or from Supplier's good faith compliance with any foreign or domestic government law, rule, order, or regulation, whether or not it later is held invalid.

Product Non-conformance – Buyer. Any goods claimed by Buyer to be non-conforming shall be set aside, protected, and held by Buyer without further processing. Buyer shall notify Supplier in writing of any claim of non-conformance within 30 calendar days of Product delivery. In no event shall any goods be returned, reworked, or scrapped by Buyer without the express authorization of Supplier. Further processing or assembly of rejected goods, parts, or materials, by Buyer or any other party shall constitute a waiver of any liability or claim for non-conforming goods. Supplier agrees to either repair or replace non-conforming goods at its option.

Product Non-conformance – End User. The Buyer shall not resell end user returns as a result of end user dissatisfaction. Product returns shall be set aside, protected, and held by Buyer without further processing, and Buyer shall promptly notify Supplier of all Product returns in writing. For those Products that do not conform to the limited warranty provided herein and that are covered by the limited warranty provided herein, Buyer shall deliver those Products at Buyer's cost and Supplier will proceed in accordance with the terms of the "Limited Warranty" Section herein.

Arbitration – Applicable Law. This agreement shall be interpreted in accordance with the substantive law of the State of Colorado without regard to any conflicts of laws principles that would require the application of the laws of another jurisdiction and the federal laws of the United States applicable therein. In the event of a dispute, that all parties are unable to amicably resolve, the matter shall be submitted to binding arbitration under the auspices and rules of the American Arbitration Association in the City of Denver in the State of Colorado.

Entire Agreement. THIS AGREEMENT CONSTITUTES THE ENTIRE UNDERSTANDING BETWEEN THE PARTIES RELATING TO THE SALE OF THE PRODUCTS DESCRIBED ON THE FACE HEREOF AND SUPERSEDES ALL PREVIOUS COMMUNICATIONS, REPRESENTATIONS OR AGREEMENTS, EITHER ORAL OR WRITTEN, WITH RESPECT TO THE SUBJECT MATTER HEREOF. NO REPRESENTATIONS OR STATEMENTS OF ANY KIND MADE BY ANY REPRESENTATIVE OF SUPPLIER THAT ARE NOT STATED HEREIN SHALL BE BINDING ON SUPPLIER. NO ADDITION OR MODIFICATION OF ANY PROVISION UPON THE FACE OR REVERSE OF THIS AGREEMENT SHALL BE BINDING UPON SUPPLIER UNLESS MADE IN WRITING AND SIGNED BY A DULY AUTHORIZED OFFICER OF SUPPLIER LOCATED IN FT. LUPTON, COLORADO. NO TERMS OF ANY PURCHASE ORDER OR OTHER DOCUMENT SUBSEQUENTLY DELIVERED TO SUPPLIER FROM BUYER SHALL BE BINDING UPON SUPPLIER, NOTWITHSTANDING SUPPLIER'S SHIPMENT OF PRODUCT FOLLOWING RECEIPT THEREOF. THIS AGREEMENT HAS BEEN SIGNED BY A DULY AUTHORIZED PERSON OF EACH OF THE PARTIES AND IS A VALID, BINDING AND ENFORCEABLE OBLIGATION IN ACCORDANCE WITH ITS TERMS.

Modification. For any modification or amendment of these terms and conditions to be valid, it must be in writing and signed by the Supplier.

Supplier Exceptions: (Leave blank if "None" noted. Add a separate page if necessary.)

Wholesale Purchasing Terms and Conditions of Sale

1. Buyer's orders shall be secured through submission of company letterhead Purchase Order faxed to 303-857-8079. Supplier does not utilize Electronic Data Interchange (EDI) system.
2. Minimum Purchase - one case (20 units). Case weight is approximately 21 pounds (11.35 kg). Case Dimensions are approximately 17 x 14 x 13 inches.
3. Each purchase order shall identify whole case quantities.
4. On orders exceeding 2500 units, a 50% deposit is required with submission of Buyer's Purchase Order.
5. The identified Price for Buyer includes delivery of merchandise to Buyer's Continental U.S. locations.

6. Supplier will ship product utilizing the freight carrier of Supplier's choosing.
7. Each Purchase Order must specifically identify Buyer's "Ship To" location information.
8. Instructions identifying Buyer's specific markings and/or labeling requirements that must appear on shipping carton must be attached to the Purchase Order.
9. Product release is contingent upon one of the following: 1) Buyer's good credit understanding with Supplier (as determined in Supplier's sole discretion), 2) full payment by Buyer to Supplier by check, credit card or wire transfer (teletransmission) prior to delivery of Product or 3) Purchase Order payment of Buyer guaranteed by cash secured Standby Letter of Credit.
10. Allow lead times of 4 weeks on orders up to 500 units. Without submission of order projections by Buyer, longer lead times may be experienced.
11. Supplier, at its sole discretion, reserves the right to modify wholesale prices and purchasing conditions at any time prior to acceptance of Buyer's Purchase Order.
12. This price list is subject to Supplier's then current Standard Terms and Conditions of Sale. Ordering from Supplier indicates Buyer's assent to all such Standard Terms and Conditions that are additional to or in conflict with the terms set forth in Buyer's Purchase Order. Please contact Supplier if you do not have a copy of our Standard Terms and Conditions of Sale.
13. Modification. For any modification or amendment of these terms and conditions to be valid, it must be in writing and signed by the Supplier.
Supplier Exceptions: (Leave blank if "None" noted. . Add a separate page if necessary.)

UNDERSTOOD, ACKNOWLEDGED AND AGREED:

BUYER:

SUPPLIER:

Name:

Name: Applied Innovative Technologies, Inc.

By:

By:

Printed Name:

Printed Name:

Title:

Title:

Address:

Address: PO Box 754
Fort Lupton, CO 8061

Fax No.:

Fax No.:303-857-8079

Date:

Date: