

Fortifiber Corporation
Conditions of Sale

1. **ENTIRE AGREEMENT – GOVERNING LAW.** Fortifiber Corporation will comply with such terms of the Purchaser's purchase order as have been previously agreed upon by Purchaser and Fortifiber in writing or expressly set forth on the face of this acknowledgement. Any terms or conditions of Purchaser's purchase order which do not comply with the above and the terms and conditions set forth below shall not be considered applicable to this sale. All orders and sales contracts are subject to acceptance by Fortifiber and are not binding until an acknowledgement is sent by the Fortifiber. This agreement shall be construed in accordance with the laws of the State of Nevada.

2. **WARRANTY – STOCK PRODUCTS.** For products which are regularly stocked by Fortifiber and not manufactured to Purchaser's specification, Fortifiber warrants that said products are in compliance with their published specifications and are free from defects in materials and workmanship for a period of two years from the date of purchase. This warranty does not apply to loss due to abuse. Material found to be defective will be replaced at no charge by Fortifiber, but in no event shall Fortifiber be liable for any other costs or damages, including any labor costs. Additional warranty protection may be available to Purchasers and their customers who qualify for benefits provided by Fortifiber's FortiShield warranty.

WARRANTY – CUSTOM MANUFACTURED PRODUCTS. For products that are manufactured to Purchaser's specification, Fortifiber warrants that the goods purchased and delivered hereunder are in compliance with the specifications shown on the face hereof or agreed in advance in writing by Purchaser and Fortifiber, and are free from defects in materials and workmanship except as otherwise herein provided. Fortifiber will replace, without charge, or make a fair allowance for any noncompliance with said specifications or any defects in materials or workmanship in such goods demonstrated to its satisfaction to have existed at the time of delivery, provided Purchaser gives Fortifiber written notice immediately upon discovery thereof, and in any event within 30 days after delivery to Purchaser, provided further that no claims shall be allowed after the goods purchased and delivered hereunder are cut, printed, or processed by Purchaser in any manner.

THESE EXPRESS WARRANTIES ARE GIVEN IN LIEU OF AND EXCLUDE ALL OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Fortifiber's sole obligations under these warranties are as set forth herein. In no event shall Fortifiber be liable for any lost revenue or profits, direct, indirect, special, incidental or consequential damages of any kind.

3. **END USE.** Final determination of the suitability of the goods purchased and sold hereunder for the use contemplated by Purchaser is the sole responsibility of Purchaser, and Fortifiber shall in no way be responsible for the suitability of such goods for any particular end use.

4. **FORCE MAJEURE.** The expression "Force Majeure" includes any Act of God, war, the public enemy, mobilization, riot, strike, lockout or labor difficulties, drought, fire, flood, explosion, accident, delays of carriers, embargoes, the acts or orders of governments or political subdivisions thereof, inability to obtain necessary supplies of raw materials or any other contingency or cause beyond the reasonable control of Fortifiber which prevents the manufacture or shipment of goods sold hereunder, or beyond the reasonable control of Purchaser, which prevents the use of the goods sold hereunder. The affected party may, at its option, on written notice to the other party, cancel this Agreement pending Force Majeure without liability to the other party for any damages, direct or consequential, arising out of any failure to deliver or failure to accept resulting from Force Majeure, provided, however, Purchaser shall be liable for payment for all goods in process and/or manufactured until date of receipt of said written notice.

5. **PRICING.** All prices are subject to change without notice. Fortifiber reserves the right to add, without approval of Purchaser, any increase in cost to Fortifiber occasioned by reason of any law, ruling, order, instruction or regulation of any governmental authority. Fortifiber's prices do not include sales, use, excise or similar taxes which shall be the responsibility of Purchaser.

6. **TERMS OF PAYMENT.** Terms of payment shall be as stated on the face hereof. If an invoice is not paid within the time permitted, there shall be a delinquent service charge of 1½% per month (but not in excess of the lawful maximum) until paid. Purchaser shall also be liable for the costs of collection, including reasonable attorneys' fees.

7. **FINANCIAL ABILITY.** Fortifiber reserves the right to refuse to make shipments of goods if Purchaser's financial ability shall at any time become unsatisfactory. Determination of Purchaser's financial ability shall be made solely by Fortifiber.

8. **CARRIER COMPLIANCE.** As a material inducement to shipper to ship the described goods with carrier, carrier hereby represents and warrants that (1) it has complied with all applicable federal and state laws, rules and regulations applicable to the interstate shipment of goods and (2) carrier's tariffs have been properly established with all necessary notices and filings with cognizant federal and state governmental authorities.

9. **OTHER TERMS AND CONDITIONS.** Prices, quotations and agreements are contingent upon Force Majeure as defined in Section 4 above. Prices are subject to change without notice, and any order submitted may be filled wholly or in part at Fortifiber's option, regardless of the sequence in which it was received; or it may be rejected altogether when in Fortifiber's judgment it is necessary or expedient to do so, and no liability shall attach for such rejection or partial fulfillment.

02/06/08