

SALE OF EQUIPMENT

AGREEMENT made this ____ day of _____, 20____, between H-O-T Props, Inc., a New York corporation with a place of business in the County of Niagara, Lockport, New York 14094 (the "Seller") and _____, with a place of business at _____ (the "Buyer").

1. Description. The Buyer shall purchase from Seller and Seller shall sell to Buyer the equipment described at Schedule "A", attached hereto and made a part hereof (the "Equipment").

2. Price. The price of the Equipment is set forth at Schedule "A" and shall be payable net cash 15 days after receipt of invoice. For all payments made after 30 days from the date of said invoice, there will be a service charge of 1.5% of the total amount due, for each month that payment is in arrears. Seller's acceptance of this service charge shall not be deemed a waiver of any right Seller may have by reason of the Buyer's non-payment.

3. Delivery. All delivery shall be made F.O.B., common carrier, Buffalo, New York with bills of lading addressed to the Buyer. In the event of any unforeseen difficulties with common carriers, Buyer may choose alternative methods of transportation. If an alternative method of transportation is chosen by the Buyer, Seller shall be reimbursed for any additional costs it may occur by reason thereof. If an alternative method of transportation results in a reduced cost to Seller, the amount thereof shall be deducted from the purchase price of the Equipment involved.

4. Identification and Risk of Loss. The Equipment shall be identified to the contract and the risk of loss shall pass to the Buyer when the goods are placed in the hands of the carrier.

5. Taxes. Any tax or other governmental charge imposed upon the sale of the Equipment shall be paid by the Buyer. The Buyer agrees to indemnify and hold the Seller safe and harmless with respect to any tax or other governmental charge that may be imposed as a result of the sale of the Equipment.

6. Packaging. Seller shall use its standard packaging and shall set forth on each package Buyer's order number, the contents and the weight. All items shall be properly packaged for shipping by the Seller.

7. Warranties. **NO EXPRESS WARRANTIES AND NO IMPLIED WARRANTIES WHETHER OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE, OR OTHERWISE (EXCEPT AS TO TITLE), SHALL APPLY TO THE EQUIPMENT SOLD BY THE SELLER, AND NO WAIVER, ALTERATION OR MODIFICATION OF THE FOREGOING CONDITIONS SHALL BE VALID UNLESS MADE IN WRITING AND SIGNED BY THE SELLER.**

8. Remedy Limitations. Buyer's exclusive remedy in the event that any of the Equipment does not conform to the Seller's description shall be a replacement of the item or part

that is non-conforming. The only guaranty to be provided by the Seller is to replace or at the Seller's option, repair the Equipment or any part thereof which is found to be defective in material or workmanship within 30 days from date of delivery.

9. Assignment and Delegation. This Agreement is not assignable nor is the performance of the duties delegatable without the Seller's express written consent.

10. Seller's Agent. Buyer acknowledges that it has been advised that no agent, employee or representative of Seller has any authority to buy and sell or to affirm or promise any representation or warranty concerning any of the Equipment, and, unless such affirmation, promise, representation or warranty is specifically set forth in this Agreement, it does not form a basis of this bargain and shall not be enforceable against Seller. Buyer further acknowledges that it is cognizant of this provision, fully understands it, and evidences its agreement to be bound thereby.

11. Cancellation. An order for the Equipment once placed with and accepted by Buyer, can only be cancelled with the Seller's consent and upon terms that will indemnify the Seller against loss.

12. Changes. The Seller shall have the right to make, from time to time and without notice, changes as to packaging, testing, specifications, designs, and delivery schedules. Seller shall immediately notify the Buyer of any increases or decreases and costs caused by such changes and an equitable adjustment in prices or other terms hereof shall be agreed upon in a written amendment to this Agreement.

13. Purchase Order. If this Agreement is accepted and the Buyer should elect to issue an order form for the Equipment described at Schedule "A", it is expressly understood and agreed that the terms and conditions herein set forth shall prevail in so far as the same may in any way conflict with the terms and conditions set forth in any such order form and that the issuance of such order by the Buyer shall be deemed to note Buyer's consent to the terms and conditions of this Agreement.

14. Entire Agreement. This Agreement constitutes the entire agreement between the parties with regard to the subject matter hereof. No course of prior dealings between the parties and no usage of trade shall be relevant or admissible to supplement, explain or vary any of the terms set forth herein. Acceptance of, or acquiescence in, a course of performance rendered under this or any prior agreement shall not be relevant or admissible to determining the meaning of this Agreement even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to make objection. No representations, understandings, agreements have been made or relied upon in the making of this Agreement other than those specifically set forth herein. This Agreement can only be modified, in writing, signed by the parties or their duly authorized agents.

15. Time for Bringing an Action. Any action for the breach of this Agreement must be commenced within one (1) year after the cause of action has accrued.

16. Arbitration. Any controversy or claim arising out of or relating to this Agreement or breach thereof shall be settled by arbitration in Buffalo, New York, County of Erie and in

accordance with the rules and procedures then obtaining of the American Arbitration Association.

17. Applicable Law. This Agreement shall be governed by the Uniform Commercial Code as adopted in the State of New York and effective on the date of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

H-O-T PROPS, INC., Seller

BY: _____
Timothy E. Williams, Jr., President

_____, Buyer

BY: _____
Name:
Title:

SCHEDULE "A"

(Description of Equipment and Price)

<u>QUANTITY</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>TOTAL</u>
		Grand Total	\$ _____

Money Orders and Checks should be payable to "H-O-T Props, Inc." and mailed to:

H-O-T Props, Inc.
PO Box 1209
Lockport, NY 14094