

TERMS AND CONDITIONS

PACA Trust Provision:

The perishable agricultural commodities listed on this invoice are sold subject to the statutory trust authorized by section 5 (c) of the Perishable Agricultural Commodities Acts, 1930 (7 U.S.C. 499e (c)). The seller of the commodities retains a trust claim over these commodities, all inventories of food or products derived from these commodities, and any receivables of proceeds from the sales of these commodities until full payment is received. Interest and attorney fees are part of the total amount owed seller.

INITIAL ORDERS

All initial sales orders are accepted on a C.O.D. basis until a credit account has been approved setting both a credit limit and payment terms.

INVOICE AND STATEMENT

Each order is printed on a computer form which also serves as an invoice for the sale. In addition to the invoice, a monthly statement is mailed to credit accounts with open balances.

HANDLING CHARGE--MINIMUM ORDER

Belair Produce has a minimum average order requirement in the amount of two-hundred fifty dollars (\$250.00). *Unless otherwise agreed*. A handling charge up to thirty five dollars (\$35.00) will be added to all sales orders less than one-hundred fifty dollars (\$150.00). A fuel Charge of \$1.00 is added to every normal delivery no matter the amount of the invoice. All second or special deliveries are also subject to a \$5.00 fuel charge.

CLAIMS—WAIVER

Any claim for adjustment must be made by the Customer at the time of receipt of any product. All products judged to be defective by Customer must be returned to Belair Produce before replacement is made or credit issued unless other arrangements are made with Belair Produce. Customer further agrees to notify Belair Produce of and return or cause to be returned to Belair Produce for inspection, within twenty four (24) hours after delivery, any and all products judged to be defective by the Customer upon which a claim for a credit is asserted. Otherwise, any such claim is waived by Customer and Belair Produce shall have no obligation to make any adjustment, credit or cash refund.

All such notifications should be made to the Credit Manager at Belair Produce, Inc.

CUSTOMER OBLIGATIONS

Customer agrees to pay all invoices when due and not to exceed the established credit limit. Customer further agrees to pay for all applicable sales, use and excise taxes on all taxable sales or services. Should Customer dispute any portion of any invoice or statement, undisputed portions of the same and other invoices not in dispute, shall never-the-less be paid when due without offset. Sales which are to be billed to a third party will not be accepted by Belair Produce without the prior written authorization and instructions from said third party.

CONTROLLING LAW/JURISDICTION/VENUE

This Agreement shall be governed by and construed under the laws of the State of Maryland. The Parties consent to the exclusive jurisdiction in the State of Maryland and venue in Anne Arundel County, Maryland.

Payment Terms

If Customer fails to make payment on its account within thirty (30) days or if any invoice remains unpaid for a period of thirty (30) days from the payment due date, Belair Produce, at its option, may, at any time thereafter, defer the performance of any further sales; decrease Customer's credit limit or payment terms; and/or pursue all remedies permitted by law.

Customer agrees to pay a service charge on any invoice not paid when due. The service charge shall be at the rate of two (2) percent (2%) per month on the unpaid balance. Customer further agrees to pay all costs and expenses, including all reasonable attorneys' fees associated with collection of any monies due under this Agreement, incurred by Belair Produce with respect to the collection of any unpaid balance, whether or not litigation is commenced.

A bad check fee of twenty five dollar (\$35.00) will be charged for each returned check.

AUTHORIZATION

The person signing the credit application on behalf of the Applicant attest that it is within his/her authority to open this business account and to request credit from Belair Produce, Inc. on behalf of the Applicant and further agrees to be personally liable for any indebtedness owing at any time to Belair Produce in the event such Applicant should disavow such authority.

