

**TERMS AND CONDITIONS OF THE PURCHASE AGREEMENT** - The Trike Shop: effective 08/01/2010

**This Purchase Agreement, when signed by The Trike Shop (Seller) or one of its representatives (Seller), is a binding contract of Purchase and Sale and is subject to the following terms and conditions:**

1. The amount of any taxes or governmental fees applicable to the goods being sold shall be added to the purchase price and shall be paid by the Buyer. If not collected by Seller, Buyer shall be solely responsible for payment of any such taxes or fees.
2. Title to all products covered by this Purchase Agreement shall remain with Seller until full payment has been received by Seller.
3. Seller, whose policy is one of continuous improvement, reserves the right to make design changes without notice and without incurring obligations on units previously sold.
4. Buyer warrants the sole purpose of this purchase is to acquire goods for his own purpose. Buyer further warrants that he will not use, or convey to others, any part or parts of this order for the making of molds or tools to be used in production of additional assemblies or parts.
5. All verbal or written delivery dates are estimates only. Seller will do everything in its power to ensure that delivery dates will be met. A delivery date is an estimate when product shall be shipped from Seller. Seller will not be held responsible for delayed deliveries due to unforeseen circumstances including vendor supply delays, production delays, or any other acts that may result in delivery delays.
6. The Buyer agrees to indemnify and hold Seller harmless from and against any and all claims for loss or damage arising out of the acts or omissions or failure to act of Seller or any of its agents in connection with the rendering of services by Seller, and for all claims or damage to property or injury or death of any person or persons directly or indirectly resulting therefrom, including cost and reasonable attorney's fees.
7. All returned merchandise is subject to a 30% restocking charge. Returns and replacements must have prior written authorization from Seller and have freight charges prepaid or they will not be accepted.
8. Buyer acknowledges that Seller will custom manufacture the goods to the unique terms of this Purchase Agreement. As a result, Seller may incur significant damages in the event the Buyer defaults upon this agreement. Buyer agrees that, if Buyer fails to accept delivery within 30 days following Seller's notification to Buyer that the goods are ready for delivery, Seller shall have the right to dispose of or to resell such goods in any commercially reasonable manner which Seller may deem appropriate and, generally, to exercise such rights and remedies as exist under law to recover its contractual and incidental damages suffered as a result of Buyer's breach of this contract. In such event, Seller may further: retain any deposits paid by Buyer under the agreement as security for payment of Seller's damages; or, at Seller's option, retain Buyer's deposits as and for liquidated damages, to the extent permitted by law.
9. All sales are F.O.B. The Trike Shop, Inc., 3744 Scheuneman Road, Gem Lake, MN 55110. Buyer understands that any freight charges are the responsibility of Buyer and are to be prepaid by the Buyer when such charges are known, or freight collect to Buyer from the carrier when products are delivered. Buyer understands Seller has inspected all items prior to shipping to ensure its quality. Packing and/or crating are designed to ensure adequate protection from all normal handling and transportation damage. When shipments are made by common carrier, any claims from shipping damage must be made to the carrier upon making delivery.

IT IS THE BUYER'S RESPONSIBILITY TO INSPECT ALL DELIVERIES FOR DAMAGE AND TO NOTE THIS DAMAGE ON THE CARRIER'S BILL OF LADING OF THIS DELIVERY.

10. This agreement shall be governed, construed, and enforced according to the laws of the State of Minnesota.