



SALES AGREEMENT

This Sales Agreement (the "Agreement") made by and between **HME, Incorporated** (Company) and

(Legal Name of Buyer)

(Address)

(City)

(State/Province) (Zip/Postal Code)

1. ACCEPTANCE: The "Company" agrees to sell and the "Buyer" agrees to purchase the apparatus and equipment (collectively the "Vehicle") described in the HME, Incorporated specifications hereto attached and made part of this Agreement, in accordance with the terms and conditions herein and the attached documents referenced herein (collectively, the "Agreement").

2. DELIVERY: Except as otherwise specified in this Agreement and provided that the Buyer has paid the purchase price, the Vehicle shall be ready for delivery within _____ Days after the date this Agreement is signed and executed by an officer of Company at the Company's Corporate Headquarters in Wyoming, Michigan, and based upon a satisfactory completion of a Pre-Construction Conference, if requested. The Company cannot be held liable for penalties and/or delays due to strikes, failures to obtain materials, fires, accidents, force majeure, or any other causes beyond the Company's control. The Pre-Construction Conference shall be conducted within 30 days from the execution of this Agreement.

To establish a stable design, procurement, and build schedule in accordance with the specifications and this Agreement, a Buyer change order cutoff date of eight (8) weeks from the date of the execution of the Agreement will be enforced. Changes in major components, configuration, or other items that may change the major components or configuration, (e.g.: engine, transmission, axles, water tank, body, fire pump) will not be allowed after the Agreement execution date.

If inability to obtain exclusive or brand name materials causes completion or delivery problems, the Company shall advise the Buyer of said problem. The Company resolves to examine alternative sources of said material. Material substitutions shall be mutually agreed upon by the Buyer and the Company. No substitutions shall be made without the execution of a written change order by the Buyer.

3. CHANGE ORDERS: Changes to the Agreement may be requested by the Buyer after the execution of the Agreement according to the terms of Section 2 of this Agreement. Changes shall be reviewed for cost and schedule impact by the Company. Changes shall be sequentially numbered. Change Orders shall be prepared by the HME sales representative and executed by the Buyer. The price of the Vehicle shall be adjusted to take into account any Change Orders. **Any and all Change Orders may extend the completion and delivery dates of the Vehicle by a mutually agreeable time between parties.**

4. SPECIFICATIONS: The Company agrees that all material and workmanship in and about this Vehicle shall comply with the hereto attached HME, Incorporated specifications dated _____.

5. WARRANTY: The Company shall provide the warranty as specified in the attached HME, Incorporated specifications.

6. PRICE: The Buyer shall pay, as a purchase price for the Vehicle, the sum of _____ US Dollars and zero Cents (\$_____). All prices are less any applicable local, state, or federal taxes which may be applied to the sale of the Vehicle. NOTE: Payment shall be made only to: **HME, Incorporated, 1950 Byron Center Avenue, Wyoming, Michigan 49519**, attention: Accounts Receivable.

7. TERMS OF PAYMENT:

a) Payment of the purchase price plus cost of any authorized Change Orders, shall be paid, in full, at the time of plant pick-up or availability for delivery, whichever is earlier.

b) No payment of any amount shall be made payable to a sales representative without written approval from the Company.

c) It is agreed that the Vehicle covered by this Agreement shall remain the property of the Company and not be placed in service until the purchase price and any additional costs and expenses are paid by the Buyer. Any payment not made when due shall accrue a service charge of 1.5% per month, but in no event shall such charge exceed the maximum rate allowed by law.

8. The Buyer will receive written notice once the Vehicle is ready for inspection. The Company requires, and the Buyer agrees, that the Vehicle shall be inspected and picked up by the Buyer within seven (7) days of notice that the manufacturer of the Vehicle has been completed.

9. CANCELLATION: This Agreement is subject to cancellation by the Buyer. In the event of a cancellation, both parties shall agree to appropriate cancellation charges. Appropriate cancellation charges shall take into account expenses already incurred and Commitments made by the Company.

10. TAG-ON / ADDITIONAL ORDERS: At its sole discretion, the Company may allow the terms of this Agreement to be extended to both the Buyer and similar agencies for the purchase of a similar Vehicles under similar terms for a period of one (1) year from the date of the execution of this Agreement. Should the Company choose to exercise this option, it shall be permitted to adjust the Agreement pricing to account for equitable price adjustments associated with the change in the cost of the materials used to produce the Vehicle. Such adjustment will be based upon the Producer Price Index (PPI) for fire trucks and/or heavy transportation equipment or by itemizing price changes expected by the Company from the component vendors. If there are any changes between the Vehicles(s) purchased via this Agreement and any subsequent orders, those changes must be documented via properly signed and executed Change Orders, including any necessary price adjustments. If the purchasing agency is not the Buyer, a separate Agreement must be executed under the terms of this Agreement to complete the additional purchases.

This Agreement, including its appendices and attachments, embodies the entire understanding between the parties relating to the subject matter contained herein and merges all prior discussions and agreements between them. No agent or representative of the Company has the authority to make any representations, statements, warranties, or agreements not herein expressed and all modifications of amendments of this Agreement, including any appendices, must be in writing signed by an authorized representative of each of the parties hereto.

IN WITNESS WHEREOF, the Buyer and the Company have caused this Agreement to be executed by their duly authorized representatives this _____ day of _____, _____.

COMPANY

BUYER

HME, Incorporated
1950 Byron Center Avenue
Wyoming, Michigan 49519
616-534-1463 Phone
616-534-1967 Fax

SIGN: _____
NAME: _____
TITLE: _____

SIGN: _____
NAME: _____
TITLE: _____

BUYERS WITNESS

SIGN: _____
NAME: _____
TITLE: _____