

CONDITIONS OF A PURCHASE ORDER

1. Acceptance and Acknowledgement. This Purchase Order constitutes Buyer's offer to Seller and becomes a binding contract on the terms set forth herein when it is accepted by the Seller. Acceptance shall be indicated either by shipment of the goods or by an acknowledgement of this order which must be returned to Buyer promptly after receipt of the same. Acknowledgement of this order must bear description of the goods, projected delivery date, price, and proper signature.

No revisions to this order shall be valid unless in writing and signed by an authorized representative of Buyer, and no condition stated by Seller in accepting or acknowledging this order shall be binding upon Buyer if in conflict with, inconsistent with, or in addition to the terms and conditions contained herein unless expressly accepted in writing by Buyer.

2. Special Conditions.

- (a) Buyer reserves the right to cancel any or all of this order if shipment is not made within specified time.
- (b) Buyer will be under no obligation to accept goods shipped in excess of the quantities stated in the Purchase Order, unless expressly authorized by Buyer.
- (c) Buyer expressly reserves the right to cancel, reject or return at Seller's expense, all or any part of shipments which do not conform to the description of the goods or do not comply with the other terms or conditions stated herein.

3. Quality of Material. All goods must be of the best quality and conform strictly to the specifications enumerated in the order. Gage width, length and flatness of all material must be within published AISA tolerances. Edgewave may be present but deviation from flat must not exceed published tolerance unless and expressly stated condition of purchase.

4. Inspection of Material. All goods will be subject to Buyer's inspection and approval at Seller's place of business and at final destination. Any nonconforming goods which are rejected will be held for disposition at the Seller's risk and expense. Seller will promptly refund any payment on account for rejected goods. Any preliminary inspection shall not be construed as a final inspection or a waiver of the foregoing right to inspection and rejection.

5. Warranty. Seller warrants that the goods delivered hereunder shall be free from any defects and conform to the specifications or other descriptions furnished or specified by Buyer, and will be fit and sufficient for the purposes intended, be of merchantable quality and of good material and workmanship.

6. Specified Prices. Prices specified in this order are not subject to any increase by Seller, except for adjustments for taxes and delivery charges. Seller will bear all additional costs due to increased wages, shortage of labor, and increased prices of merchandise or material.

7. Patents. Seller warrants that the sale or use of any or all goods delivered hereunder, will not infringe on any United States or foreign patent and that Seller will defend at its expense, any action, suit or claim in which any infringement of patent rights is alleged with respect to the sale or use of any goods covered in this order, and that Seller will save the Buyer and/or its customers harmless from any loss, damage, or liability which may be incurred on account of any alleged infringement of patent rights.

8. Defense of Claims. Seller indemnifies and agrees to defend at its own expense any action, suit or claim brought against Buyer arising from the use of any goods covered by this order, and to save the Buyer and/or its customers harmless from any loss, damage or liability which may be incurred on account of any hidden defects in goods, or from any dangerous condition thereof.

9. Price Regulation. Seller certifies that his price conforms to any applicable price control regulations of the government and that any prices charged in excess of those permitted by government regulation shall be refunded by Seller.

10. Fair Labor Standards Act. Seller Warrants that it has fully complied with the requirements of the Fair Labor Standards Act of 1938, as amended, in the production of the goods and the performing of all services to be furnished under this order.

11. Packaging. The following conditions will apply to the packaging of all materials under this order:

- (a) All goods shall be properly packed, marked and shipped in accordance with the requirements of the common carrier transporting such goods and of this Purchase Order and in a manner that will permit the securing of the lowest transportation rates. Seller shall reimburse Buyer for all expenses incurred by Buyer as a result of improper packing, marking or routing.
- (b) Seller shall route and ship materials in accordance with Buyer's instructions.
- (c) Seller must notify carrier that carrier should contact Buyer for unloading appointments.
- (d) Maximum coil weight 20,000 number with 24 inch I.D. unloading must be prepared for overhead c-hook crane (flat bed or open top truck only).
- (e) Maximum sheet lifts 15,000 number unloading must be prepared for overhead crane lifted (flat bed or open top truck only).
- (f) Deviation from shipping and billing instructions given herein will be at Seller's risk.

12. Assignment. This contract may not be assigned without the written consent of Buyer.

13. Alterations. Buyer shall have the right at any time before completion of the order to make changes in quantities, in drawings and specifications, in delivery schedules, and in methods of shipment and packaging. If such changes cause an increase or decrease in price or in the time required for performance, Seller shall promptly notify Buyer thereof for the purpose of making and adjustment. No changes shall be binding upon the Buyer unless evidenced by a Purchase Order change notice issued and signed by Buyer.