

## Terms and Conditions of Sale

The items described in this document are hereby offered for sale at prices established by LRC Coil Company. This offer and its acceptance by any customer (Buyer) shall be governed by the following Terms and Conditions. Buyers order for any items described in its document, shall constitute acceptance of this offer.

1. **Terms of Sale:** Sale of goods by LRC Coil Company ("Seller") to Buyer is made solely on the terms and conditions hereof notwithstanding any additional or conflicting terms or conditions, oral or written, that may be contained in any purchase order or other form of purchase, all of which additional or conflicting terms and conditions are hereby objected to and rejected by Seller. No representations or warranties other than those contained herein shall be binding upon Seller unless made in writing and signed by an officer of Seller. Acceptance of a shipment shall constitute acceptance of these terms and conditions.
2. **Price:** all quotations, unless otherwise specified, are subject to acceptance by Buyer within thirty (30) days from date of quotation. Prices quoted by Seller on products manufactured by Seller are subject to change without notice.
3. **Terms of Payment:** Terms of payment are cash in full within thirty (30) days of invoice date unless otherwise authorized in writing by Seller. All past due accounts will be subject to a service charge of up to one and one-half percent (1 1/2%) per month (or, if less, the maximum rate permitted by applicable law). All shipments at all times are subject to the approval of Seller's Credit Department. Seller may require full or partial payment in advance of production or shipment if in the judgment of Seller the financial condition of Buyer does not justify other terms. If shipments are delayed by Buyer for any reason, payments shall become due from the date on which Seller notifies Buyer that Seller is prepared to make shipment and storage thereafter shall be at Buyer's risk and expense.
4. **Delivery:** Delivery shall be made F.O. B. LRC Coil Company's (Seller) plant unless otherwise agreed in writing. All goods are shipped at Buyer's risk. Any claims for damage or shortage in transit when goods are shipped by common carrier must be filed by Buyer against the carrier. Any delivery dates which may be specified are estimates only and are not guaranteed. Seller shall not be responsible for any delay or failure to meet a shipment date caused by circumstances beyond the reasonable control of Seller or others, including but not limited to, acts of God, riots, strikes, accidents, lack of transportation, or shortages of fuel, power, labor or equipment.
5. **Taxes:** Unless otherwise provided by law, Seller may require Buyer to pay or to reimburse seller for any tax (except Seller's income tax) which now or hereafter may be imposed by any taxing authority with respect to the products or the sale, purchase, manufacture, delivery or use thereof.
6. **Cancellations:** Accepted orders are not subject to cancellation unless Seller consents and Seller is immediately reimbursed for any and all costs incurred by Seller in connection with such orders. In addition, Buyer shall promptly pay to seller as fixed, agreed and liquidated damages, and not as a penalty, a sum equal to ten percent (10%) of such costs because Seller's actual administrative costs in the event of cancellation will be impossible to determine.
7. **Warranty:** Seller expressly warrants that the products sold to Buyer shall be free from defects in material or workmanship for a period of one year from the date of shipment. If Buyer notifies Seller within the warranty period of a defective product, Seller at its option will repair or replace the defective product at no charge to Buyer. This warranty extends only to the original purchaser. Any damage from improper handling, storage, abuse, misuse, or alteration of the product in any manner voids Seller's warranty obligation. THIS WARRANTY CONSTITUTES BUYER'S SOLE REMEDY. IT IS GIVEN IN LIEU OF ALL OTHER WARRANTIES. ALL IMPLIED WARRANTIES, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ARE EXPRESSLY EXCLUDED. IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT UNDER NO CIRCUMSTANCE SHALL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHETHER THE THEORY BE BREACH OF THIS OR ANY OTHER WARRANTY, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE. Labor or service costs, including costs for removing or installing parts, and any shipping charges are expressly excluded from this warranty. No person (including any agent or salesperson) has authority to expand Seller's obligation beyond the terms of this express warranty, or to state that the performance of the product is other than that published by Seller.
8. **Returned Goods:** Goods may not be returned except by permission of an authorized official of Seller at Santa Fe Springs, California. Material returned without prior authorization by Seller shall be at Buyer's risk and expense with no liability to or obligation of Seller.
9. **Field Rework, Repair and/or Modification:** The Seller will not be responsible for nor accept any costs incurred through field rework, repair and /or modification of its products without prior written authorization by Seller.
10. **Product Changes:** Seller reserves the right to change specifications and/or designs without incurring any obligation to buyer.
11. **Patents:** If any goods shall be manufactured or sold by Seller to meet Buyer's specifications or requirements and are not a part of Seller's standard product offering, Buyer agrees to indemnify and save harmless Seller from any and all damages, claims and demands for actual or alleged infringement of any United States or foreign patents because of manufacture or sale of such goods.
12. **Governing Law, etc.:** This agreement and sale of goods by Seller shall be governed in all respects by the laws of the State of Arizona. Seller shall be entitled to recover from Buyer, Seller's reasonable costs of enforcing these terms and conditions, including any collection costs or attorney's fees and expenses incurred by Seller in the event of a default by Buyer in making any payment due to Seller.
13. **Order Quantities:** For orders of over 50 pieces, final shipped quantities may be +/- 5%.