

## **STANDARD CONDITIONS OF SALE**

1. **GOVERNING PROVISIONS AND GENERAL.** Sale of all material and/or services by Victory Steel Products Corporation (“Company”) shall be subject to these Standard Conditions of Sale (“Conditions”) and the Company’s acceptance of any order for such material and/or services shall be conditioned upon Purchaser’s assent to such Conditions, which assent shall be deemed given by the placing of any order for or statement of intent to purchase any material and/or service or any direction to proceed with manufacturing engineering, procurement or shipment. No modified additional or different condition (whether contained in a purchase order or any other communication from Purchaser) shall be recognized by or binding upon the company unless specifically agreed to in writing by an officer of the Company, and the failure of the Company to object to any such provisions shall not be a waiver of these Conditions or an acceptance thereof. No modification or amendment or addition to these Conditions on any order accepted by the Company shall be binding unless in writing and signed by an officer of the Company. All invoices prices shown are exclusive of any payments discounts, trade discounts, rebates, or any other discounts that may be agreed upon between the parties. All invoice pricing is solely for the customer and cannot be relied upon by third parties without the Company's prior written consent.

2. **ACCEPTANCE OF ORDERS.** All orders are subject to approval at the Company’s main office by an officer, and are accepted subject to these Conditions (as have been set forth) and the Company’s price provisions in effect at the time of the acceptance.

3. **PAYMENT TERMS.** Unless otherwise specifically noted in writing by the Company the Company’s terms of Purchasers of satisfactory credit are as follows.

1% 10 days, net 30 days from invoice date.

Each invoice rendered by the Company to the Purchaser shall be an account stated and correct and acceptable to and binding upon the Purchaser unless the Company shall receive a written statement of objection within ten (10) days after said invoice rendered. No cash discounts are allowed on settlement by note or trade acceptance. A delinquency charge of 1 1/2% per month will be charged on all amounts remaining unpaid thirty (30) days after the invoice date, if not prohibited by law, otherwise, at the highest lawful contract rate. If the Company refers an invoice to an attorney for collection the Purchaser shall pay all of the Company’s expenses of collection, including reasonable attorneys’ fees. In the event that a dispute arises regarding any term, performance or enforcement of the Conditions, the substantially prevailing party shall be entitled to an award of attorneys’ fees, costs and expenses from the non-prevailing party.

**Purchaser hereby submits and consents to the jurisdiction of any local or state courts locate in the County of St. Louis, Missouri, or any federal courts located in the City of St. Louis, Missouri, as Company may reasonably designate for the purpose of litigation involving the Conditions and any purchase of services and/or materials by Purchaser from Company. Purchaser waives any and all rights to commence any action against Company in any jurisdiction except the situs specified above. All rights to trial by jury are relinquished and waived by Purchaser, and Company likewise waives its right to trial by jury, with respect to any litigation involving the Conditions and any purchase of services and/or materials by Purchaser from Company.**

If in the opinion of the Company, the financial condition of the Purchaser at any time shall not justify continuance of production or shipment on the terms of payment specified the Company may require full or partial payment in advance or other assurance of Purchaser's due performance.

Pro rata payments become due as shipments are made. If shipments of completed material or equipment are delayed or deferred by Purchaser or because of any condition beyond the Company's control the Company shall invoice Purchaser for the full invoice value of such material or equipment when the Company is prepared to make shipments. Purchaser shall pay said invoices in accordance with the above payment terms and bear the sole risk of storage of said equipment and material. If completed material or equipment is through no fault of the Company, not shipped within 60 days after its completion, Purchaser shall pay the Company as storage charges two percent (2%) per month of the invoice value of said material or equipment.

All remittances are to be sent to the office of the Company as shown on invoices.

4. **QUOTATIONS.** All quotations, whether written or verbal, are subject to these Conditions. All quotations are based upon the Company's use or its standard materials and equipment and are only for the quantities specified therein. Any and all quotations, whether oral or written, are not valid unless and until the Company accepts an order placed by the Purchaser.

Prices shown in the Company's literature are not a definite quotation or offer to sell. This literature is maintained as a source of general information, which is subject to specific confirmation. **NOTHING CONTAINED IN THE COMPANY'S LITERATURE SHALL CONSTITUTE ANY WARRANTY WHATSOEVER, WHETHER EXPRESS, IMPLIED, STATUTORY OR OTHER, INCLUDING BUT NOT LIMITED TO ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE.**

5. **SUPPLIER PRICE INCREASES.** The purchase price of the unshipped portion of an order will be increased to the extent of any general price increase by the steel mills.

6. **TRANSPORTATION EXPENSE.** Unless otherwise specified by the Company all sales are F.O.B. at point of shipment. Point of shipment method and route of shipment are at the discretion of the Company.

7. **DELIVERY.** The Company will not pay or be liable for any penalty or damage, whether liquidated or otherwise, for late delivery. Shipping dates are approximate and are based upon the Company and Purchaser finalizing delivery schedules and the Company's prompt receipt of all details essential to the proper execution of Purchaser's order including approved shop drawings. In case of delay in furnishing complete information, date of shipment may be extended for a reasonable time.

The Company shall not be liable for delays in delivery or in the performance or failure to manufacture or deliver due to : (1) cause beyond its reasonable control; or (2) act of God, acts of the Purchaser, acts of civil or military authority, priorities, fires, boycotts, strikes or other labor disturbances, floods, epidemics, wars riot, freight embargoes, car shortages, wrecks or delays in transportation or unusually severe weather; or (3) inability because of causes beyond its reasonable

control to obtain necessary labor, materials, or components for manufacturing facilities from usual sources. In the event of any such delay, the date of delivery or performance shall be extended for a period equal to the time lost by reason of the delay provided such time is a reasonable period of time under the circumstances.

8. **ERROR.** All stenographic and clerical errors are subject to correction by the Company.

9. **WEIGHTS.** Catalog listed weights are carefully estimated but not guaranteed. No particular classification by transportation company guaranteed.

10. **SPECIAL PACKAGING.** There will be an extra charge for special or export packing or packaging of any kind, and the Company should be consulted for extra charges therefor.

11. **GOVERNMENT REGULATIONS.** If the equipment or material is or becomes subject to government control, allocation, regulation or restriction, the necessary and proper preference rating certificate or certificates shall be supplied by the Purchaser.

12. **TAXES.** The Company's prices do not include sales, use, manufacturers, retailers, occupation, excise or any similar or other tax free duty, tariff, or charge imposed by any governmental authority on any transaction between the Company and the Purchaser. Consequently, in addition to the price, the amount of any such tax fee, duty, tariff, or charge, even if initially advanced by the Company or by an export-import broker, shall be paid by the Purchaser, or in lieu thereof, the Purchaser shall provide the Company with an exemption certificate or other document acceptable to the authority imposing the same.

13. **PENALTY CLAUSE.** No penalty or liquidated damage clause of any description will be effective and binding upon the Company unless specifically, approved in writing by an officer of the Company.

14. **CANCELLATION.** An order placed with the Company may be canceled or terminated only with the consent of the Company and upon terms which will indemnify the Company against loss, damage and expense arising from such cancellation or termination.

15. **SUBSTITUTE MATERIAL.** The Company may furnish suitable substitutes for materials which cannot be obtained because of priorities or regulations established by a governmental authority or because of nonavailability thereof from suppliers.

16. **DAMAGES CLAIMS TITLE RISK OF LOSS.** The Company cannot be held responsible for damage after having received in good order receipts from the transportation company. All material and equipment shall be shipped F.O.B. the Company's plant regardless of transportation being prepaid or collect, unless otherwise agreed in writing. The Company's responsibility ceases with delivery to a carrier at which time title and all risk of loss or damage in transit shall pass to the Purchaser. All claims of loss, damage and delay must be made by the Purchaser to the Carrier. When material or equipment is received in a damaged condition the

Purchaser should obtain from and file with the carrier a concealed damage report on the day of delivery.

17. **SECURITY AND OTHER REMEDIES.** To secure the Purchaser's obligation to make full payment to the Company, the Company shall retain a security interest in all material and equipment sold until the purchase price is fully paid. If full payment is not made when due, the Company shall have all of the rights and remedies given a secured party the Uniform Commercial Code. In addition, in the event of Purchaser's default in any obligation to the Company, the Company shall have the right to file and prosecute liens and to collect under any bond or other security for Purchaser's performance. All of the Company's rights and remedies provided in these Conditions shall be cumulative and in addition to other rights and remedies provided by law and equity. Waiver by the Company of any breach of any provisions thereof shall not constitute a waiver of any other breach.

18. **DISCLAIMER OF ALL WARRANTIES.** Except to the extent the Company otherwise specifically agrees in writing the sale of all services and material by the Company shall be **WITHOUT ANY WARRANTIES WHAT SO EVER, WHETHER EXPRESS, IMPLIED STATUTORY OR OTHER, INCLUDING BUT NOT LIMITED TO ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND/OR FITNESS FOR A PARTICULAR PURPOSE.**

19. **LIMITATION OF LIABILITY.** The Company shall not be responsible for damage to material or equipment caused by exposure to the elements, storage, accident, circumstances beyond the company's control or improper installation operation or maintenance. In no event, whether as a result of breach of contract, warranty (MERCHANTABILITY, FITNESS or other) alleged negligence or otherwise, shall the Company be liable for liquidated or special or consequential or incidental damages including but not limited to loss of profits or revenue, loss of use of the materials or equipment or any associated equipment, down time costs, or any penalties, or claims of customers of the Purchaser for damages or penalties.

The Company's liability on any claim of any kind, including negligence, or for any loss or damage resulting from any contract for sale of material or service or the overall performance of each thereof, or from the design, manufacture sale delivery resale, installation, technical direction of installation, inspection, repair, operation or use of any material covered by or furnished by it shall be limited solely to replacement of the material or equipment thereof, which gave rise to the claim. The Company under no circumstances shall be liable for any claim whatsoever arising out of, or in connection with, the delivery of materials or equipment by a carrier owned or operated by the Company.

The Purchaser must inspect and examine all material and equipment purchased from the Company promptly upon receipt and notify the Company in writing within ten (10) days thereof of any claimed defect, nonconformity or discrepancy. The failure of the Purchaser to so notify the Company shall constitute conclusive acceptances by the Purchaser of the material and/or equipment received by the Purchaser. In no event shall any action be commenced against the Company more than one year after the cause of action with respect to which the claim is made has occurred.

The Company does not assume and shall not be responsible for any liability or expense for repairs made outside the Company's factory without the prior written consent of the Company.

20. **RETURNS FOR CREDIT.** In no case is material to be returned without first obtaining the Company's written permission and return material tag. Only unused material as currently sold and/or manufactured which has been invoiced to Purchaser within one (1) year shall be considered for return. The company reserves the right to refuse any material returned for credit. Material accepted for credit shall be prepaid by Purchaser. Material must be securely packed to reach the Company without damage. Any cost incurred by the Company to put material or equipment in first class condition shall be paid by the Purchaser in advance.

21. **ASSIGNMENT.** No order or right thereunder may be assigned by the Purchaser without the Company's prior written consent.

22. **INDEMNIFICATION FROM PATENT INFRINGEMENT.** If material sold by the company is not a part of the Company's standard line offered by it to the trade generally in the usual course of the Company's business, but is produced in accordance with the Purchaser's specifications, requirements or design, the Purchaser agrees to defend, protect and save harmless the Company and its successors and assigns all suits and from all damages, claims and demands for actual or alleged infringement of any U.S. patent and to defend any such suits or actions which may be brought against the Company and its successors and assign for any alleged infringement because of the manufacture or sale of any material or equipment.

23. **F.O.B. JOB SITE ORDERS.** On all orders which are F.O.B. job site, delivered prices are based on full truckload lots with one partial load allowed to finish job and delivery is to be as near to construction site as truck can travel on its own power. Purchaser assumes all liability for damage to sidewalk, driveways or other property for all deliveries beyond the curb line, whether or not requested by Purchaser. Unless otherwise agreed, Purchaser shall furnish the labor and equipment to unload trucks. Purchaser shall pay for waiting time in excess of two hours at time of delivery at the rate of \$15.00 per hour. In the case that an order is F.O.B. job site, all claims so shipped must be properly noted on the Company's bill of lading.

24. **SPECIAL ITEMS.** In addition to the contract price, Purchaser shall pay for all special items or fitting made specifically for the work which is the subject of the order. The company has the right to invoice Purchaser for such special items or fittings either during their fabrication by the Company or after their delivery to the job site.

25. **WAIVER.** Notwithstanding any provision or offer to provide additional remedies or compensation other than those required by the terms contained herein, in no event shall any action or inaction by the Company constitute a waiver of any legal right, limitation, condition, or remedy provided by these Standard Conditions, unless the same is duly signed by the Company.