



TERMS AND CONDITIONS AGREEMENT

The Terms and Conditions Agreement, "Agreement" is between and binding upon the Parties hereto, their respective successors, heirs and permitted assigns. "Buyer" and Shannon Galvanizing, LLC, "Seller" represent that their respective authorized agents are to bind or execute this Agreement have the authority to bind Buyer and Seller to the Agreement.

Any prices contained or given are net minimum prices and cover NEW MATERIAL only. All prices are based on steel containing less than 0.02% phosphorus, less than 1.35% manganese, less than 0.03% silicon or high in carbon. Any steel that has unusual make up (high carbon, manganese, phosphorus, or silicon) must be identified by the customer and if not identified by customer shall be subject to additional charges. The only coating on the material that is accepted as the standard is mil scale or light storage rust. Items on which the scale has been rolled into the base metal, pitted with rust, coated with grease, paint, varnish or other preservatives, or that have excessive shop markings which require extra labor or chemical effect for their removal, may be subject to additional charges which will be quoted upon application. It is recommended that Buyer thoroughly clean material prior to sending to Seller for galvanizing services. Buyer's galvanizing services shall apply and conform with ASTM International standards ASTM 123 or when applicable ASTM 153. The Buyer represents and warrants that its material will conform to ASTM International standard ASTM 384 and ASTM 385 and can be hot dipped galvanized. If Buyer's product is found not to conform to ASTM 384 and/or ASTM 385, then Seller is not obligated nor warranting any product to ASTM 123 or if applicable ASTM 153 standards. Weld flux is inert in standard pickling solutions and must be removed by chipping, wire brushing or sandblasting.

All materials coated for special application or to special request or specification must be inspected and accepted by Buyer prior to shipment. There will be a minimum extra charge to Buyer for; Painted or used Material (priced on application) and re-galvanized material (priced on application). The foregoing does not apply to items dealt with specifically under a particular classification. All galvanizing shall be subject to Seller's standard processing variations, classifications, and extras.

All tubular/pipe parts and/or fabrication parts "vented material" that have collection areas must be adequately vented. The seller will not process parts that are internally vented. All vented material must have visible external venting. Buyer will be subject to additional charges should Seller need to apply proper venting to Buyer's Material. Buyer furthermore must take into consideration the ability of Seller to galvanize material with the need of additional holes for the hanging of material, if so, needed will said cost will be charged back to Buyer. Seller will notify Buyer of the additional holes and approximate number needed to process Customer's order.

All prices herein are based upon 100 pounds galvanized weight and are subject to change without prior notice. Prices will be adjusted to Seller's price in effect at the time of shipment. A MINIMUM CHARGE up to \$400.00 (Buyer to confirm with Seller as to MINIMUM CHARGE) will be made for galvanizing a single item and/or if the weight at net price does not amount to \$400.00. All sandblasting, holes, and extras, "Special Services" will be in addition to the minimum billing amount.

Dimensions of our galvanizing kettle is: 46' Long – 8' Deep – 6' Wide

Quantity prices, where shown, apply to one (1) order (one delivery shipment to Seller within 24-hour period).

Prices are F.O.B. Seller's Plant, unless otherwise specified in writing. Depending on quality size, Seller may offer to Buyer a courtesy pick-up and delivery service. No allowance will be made when material is delivered to, or picked up, at Seller's Plant by the customer.

If applicable, all bids, quotations and/or sales contracts are made, or entered into, subject to the condition that material, labor, tools, fuel, power and facilities necessary to fulfill the offer or perform the contract are available, at no increase in price to Seller's; delays in transportation; delays caused by strike or lockouts (weather at Seller's Plant or any of Seller's suppliers of material); Act of God, Acts of Public Enemy, riots, sabotage; interference by Government Authorities or Agencies; and any other (similar or dissimilar) cause beyond reasonable control of Seller. Promises of delivery will be kept as far as possible, but delivery dates will not be guaranteed.

If the Buyer fails to fulfill the terms of payment of any order, the Seller may defer further shipments until such payments are made. Or may, at Seller's option, cancel the Order. The Seller reserves the right (even after partial shipment) on account of any Order, require from the Buyer satisfactory security for performance of the Buyer's obligation and upon refusal to furnish such security, the Seller may suspend shipment and, at its option, cancel the Order. There will be a security interest and collateral in all material or property left by Buyer with Seller and in Seller's possession so that Seller may collect any amounts due and owing to Seller by Buyer. Buyer will furthermore execute any document that would further perfect Seller's security interest or collateral. Seller retains the right to file Mechanics and Materialman's Lien within the period allowed by law.

Interests at not less than the legal rate may be charged after the last day of the second calendar month following date of Invoice. Invoices will be issued as if the date of shipment or delivery of material, or when ready to ship, and shipment cannot be made through no fault of the Seller. Invoices are due and payable at Floresville (Wilson County) Texas, in lawful money of the United States upon issuance thereof unless otherwise specifically agreed in writing.

All galvanizing claimed to be defective shall be held subject to inspection by the Seller. Buyer shall timely inspect the finished product at Seller's facility, regardless of if it is picked up or delivered and notify, if galvanizing appears to be defective, to Seller via email or in writing of two (2) business days after inspection of any defect or material shortage. If Buyer after date of inspection with no notification to Seller of any shortage or defect will be deemed to accept the material per the terms quoted or otherwise and will waive all claim against Seller. Any further claim by Buyer of shortage or deductions for erroneous charges must be presented within Thirty (30) Days after receipt of the goods or they will not be allowed. The only warranty given by the Seller is to re-galvanize such materials as may prove to have been defectively galvanized, or to allow Credit for the galvanizing charge at Seller's option. No claims for labor or for damages will be allowed by the Seller, nor will the Seller be subject to any other (or further) liability.

The Seller will not be responsible for any material which warps, buckles, blisters or breaks in the process of galvanizing due to heat conditions and/or and breaking and/or flaking of the zinc coating after material has left the Seller's plant. Upon Seller's completion of any application to Buyer's material, Seller shall not have any liability for damage that occurs to said Buyer materials, with Buyer assuming all responsibility. All materials shall be stored in a commercially reasonable manner, unless

otherwise agreed to between Seller and Buyer. These terms assume that Seller's product application to Buyer's materials is for commercial use. Some terms may not apply to a strict consumer transaction. All title to and risk of loss of materials along with resulting products always remain with Buyer's.

Any Tax imposed by the law on the sale of any article or on any charge by Seller for service shall be in addition to, and a part of, the sales price thereof. Buyer shall pay or reimburse Seller for all taxes, duties, and other governmental charges imposed upon Seller with respect to sale, use, and production of Products applied to Buyer's Material, or Seller's purchase or use of raw Materials to make Products, except for the income taxes of Seller and its affiliates. If Buyer believes the Services are exempt from any taxes imposed, Buyer shall furnish Seller with a tax Certificate of Exemption or other documentation satisfactory to Seller.

All contracts shall be constructed and determined according to the Laws of the State of Texas.

Seller is Shannon Galvanizing, LLC and Buyer is the authorized individual, representative, agent and/or business, entity agreeing too and executing these Terms and Conditions. Buyer is deemed to have accepted this Agreement by its acknowledgment or and/or by delivery, or arranging for delivery, of its material to Seller's specification. Payment is due upon Buyer pick-up or delivery unless Buyer received prior payment terms or credit approval from Seller.

All returned checks are subject to a \$100.00 charge.

There are no understanding or agreements relative to any Contract which are not fully expressed herein, and no charge shall be made in this Agreement unless reduced to writing and signed by both parties. No statement, recommendation, or assistance made or offered by the Seller or the Seller's Representative to the Buyer or to the Buyer's Representative shall be, or constitute, a Waiver by the Seller of any of the provisions hereof or change the Seller's liability as herein defined. All orders are received with the understanding they are placed under this Agreement.

Buyer shall not assign its rights and obligations under this Agreement, or any other documents and instruments executed between the Parties, without the prior written consent of Seller. Any purported assignment in violation of this provision is null and void. Except as otherwise expressly provided for in the Agreement, nothing herein, expressed, or implied, is intended or shall be constructed to confer upon or given to any person, firm, corporation or legal entity, other than the Parties hereto, any rights, remedies or other benefits under or by reason of the Agreement. The Parties hereto are independent contractors and in the interpretation of the Agreement or any part of it, no rule of construction or interpretation shall apply to the disadvantage of any party on the basis that the party prepared the Agreement or seeks to rely on the terms and conditions of the Agreement.