



Earle M. Jorgensen  
Company  
07/27/2006

**THIS ORDER IS SUBJECT TO ALL OF THE TERMS AND CONDITIONS PRINTED HEREOF, WHICH INCLUDE, PROVISIONS DISCLAIMING AND EXCLUDING LIABILITY FOR CONSEQUENTIAL DAMAGES, EACH OF WHICH BUYER AGREES TO BY ACCEPTANCE OF THIS ORDER. ONLY SUCH TERMS AND CONDITIONS SHALL CONSTITUTE THE AGREEMENT BETWEEN THE PARTIES.**

#### **TERMS AND CONDITIONS**

The following terms and conditions apply to all sales orders:

- 1 **AGREEMENT.** By ordering or accepting the goods described herein, Buyer agrees to the terms and conditions set forth herein and in any attachments hereto, none of which may be added to, modified, superseded or otherwise altered except by a written instrument signed by an authorized representative of Seller and delivered to Buyer. Any different or additional terms in Buyer's acknowledgement, purchase order or other document of Buyer are hereby rejected, notwithstanding any terms or conditions that may be contained in such acknowledgement, purchase order or other document of Buyer and notwithstanding Seller's act of shipping goods or similar act of Seller. If this offer shall be deemed an acceptance of a prior offer by seller, such acceptance is expressly conditioned on Seller's written assent to any additional or different terms contained herein. Acceptance of orders and deliveries hereunder, are at all times subject to the approval of Seller's Chief Financial Officer at Lynwood, California.
- 2 **TERMS OF PAYMENT.** Invoices are issued as of the date of delivery covering deliveries from our stocks and as of the date of shipment covering direct mill shipments and are due and payable in lawful money of the United States of America upon the issuance thereof unless otherwise specifically agreed in writing. The acceptance of any order of specification and terms of payment on all sales and orders is subject to approval of Seller's Credit Department, and Seller may at any time decline to make any shipment or delivery or perform any work except upon receipt of payment or security or upon terms and conditions satisfactory to Seller's Credit Department.
- 3 **TITLE:** Except on goods sold pursuant to a conditional sales contract, all goods delivered from Seller's stock, on any sale resulting from this quotation shall be complete, and title shall pass upon actual delivery at the place where the Buyer receives possession of the goods, and on all direct mill shipments shall be complete, and the title shall pass at the place from which shipment is made.
- 4 **LATE PENALTY.** All unpaid items will be charged a 1 ½% per month late penalty beginning the second month following delivery of shipment, such charges not to exceed the maximum charge permitted by law.
- 5 **FORCE MAJEURE.** Failure of Seller to deliver hereunder, or delay in making shipments, if occasioned by fire, explosion, flood, earthquake, war, riots, insurrection, civil disturbance, accident, storm, interruption or delay in transportation, shortage, strike or other labor dispute, inability to obtain materials and supplies, acts of government, any act of God, or any other causes of like or different character beyond Seller's control shall not subject Seller to any liability to Buyer.
- 6 **BUYER'S DUTY TO INSPECT.** Buyer must immediately inspect all material for shortages, conformity with order and defects. If goods appear not to conform to the contract between Buyer and Seller, Buyer shall discontinue their use and immediately notify Seller of such condition and afford Seller a reasonable opportunity to inspect the same. Claims for shortage or deductions for erroneous charges must be presented within fifteen (15) days after receipt of the goods or they will not be allowed. No material will be taken back and credited or replaced unless arrangements for return have been made with Seller. Seller may, at its option, replace those products proven defective or allow credit for an amount not exceeding the sum of the original purchase price thereof.
- 7 **PERMISSIBLE VARIATIONS, STANDARDS AND TOLERANCES.** All products are produced subject to (i) mill tolerances and variations in respect to dimensions, weight, straightness, section, surface conditions, composition, mechanical properties, internal conditions, and quality; (ii) deviations from such tolerances and variations consistent with practical testing and inspection methods and (iii) regular mill practices with respect to over and under shipments. Any representations or certifications by Seller shall be limited by the foregoing.
- 8 **DISCLAIMER OF WARRANTIES.** Seller warrants only that the goods are as described herein, but no other express warranty is made. If any model or sample was shown to Buyer, such model or sample was used merely to illustrate the general type and quality of goods and not to represent that the goods would necessarily conform to the sample or model. **THE GOODS SOLD UNDER THIS AGREEMENT ARE PURCHASED BY BUYER "AS IS" AND "WITH ALL FAULTS" AND SELLER MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE.**
- 9 **NO LIABILITY FOR CONSEQUENTIAL DAMAGES, UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE TO BUYER OR ANY OTHER PERSON FOR ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES BASED UPON LOST GOOD-WILL, LOST SALES OR PROFITS, WORK STOPPAGE, DELAY, PRODUCT FAILURE, IMPAIRMENT OF GOODS OR OTHERWISE AND WHETHER ARISING OUT OF BREACH OF WARRANTY, BREACH OF CONTRACT, NEGLIGENCE OR OTHERWISE,** and in any case, Seller's liability for any and all losses and damages sustained by Buyer and others, rising out of or by reason of this contract, shall not exceed the original purchase price of the products upon which liability is founded.

- 10 **ENFORCEMENT OF TERMS; NO WAIVER.** Any forbearance or failure of Seller to enforce any provisions of these terms and conditions or to exercise any right arising from any default of Buyer hereunder shall not affect or impair Seller's rights, and no such forbearance or failure shall be construed as a waiver of Seller's rights to act or to enforce each and every such provision.
- 11 **DEFAULT.** If Buyer fails to fulfill the terms of payment on any order, Seller may defer further shipments until such payments are made, or may at its option, cancel the order Seller reserves the right, even after partial shipment on account of any order, to require from Buyer satisfactory security for performance of Buyer's obligations, and refusal to furnish such security will entitle Seller to suspend shipments until such security is furnished and, at Seller's option to cancel the order.
- 12 **PRICES; TAXES.** Prices for the materials or services covered herein, whether herein named or heretofore quoted or proposed, shall be adjusted to our prices in effect at the time of shipment. Unless otherwise indicated, prices are exclusive of all city, state and federal taxes. Any taxes which Seller may be required to [a or collect under any existing or future law upon or with respect to the sale, purchase delivery, storage, processing, use or consumption of any of the material covered hereby, including taxes upon or measured by the receipts from the sale, thereof, shall be for the account of Buyer and Buyer shall promptly pay the amount thereof to Seller upon demand.
- 13 **CONFLICT WITH APPLICABLE LAW; SEVERABILITY.** No term or condition herein shall be effective or binding to the extent that it may be illegal or require an illegal action. If any provision of these terms and conditions shall be judged by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such adjudication shall not affect or modify any other provision of these terms and conditions and the effect thereof shall be confined to the provision as to which such adjudication is made.
- 14 **MODIFICATION.** No agreement or understanding in any way modifying the conditions of this order shall be binding upon Seller unless made in writing and approved by Seller. Extras will be paid for only on the prior written order of Seller.
- 15 **ENTIRE AGREEMENT.** This order, together with any attached specifications and drawings, constitutes the entire final written agreement between the parties and is a complete and exclusive statement of all of the terms of such agreement.
- 16 **ASSIGNMENT.** This order and Buyer's duties hereunder may not be delegated or assigned by Buyer without Seller's written consent, and any assignment attempted without such consent shall be null and void and shall effect, at Seller's option, a cancellation of all of Seller's obligations hereunder. Seller may assign this order and its interest therein to any affiliated corporation, or to any corporation succeeding to Seller's business without the consent of Buyer.
- 17 **INTERPETATION.** This order shall be construed according to the laws of the State indicated in the heading of this document. The application of the United Nations Convention on Contracts for the International Sales of Goods (1980) is excluded.

