

COMPLETE CONTRACT.

These terms and conditions shall govern any sales transactions between Steel and Pipe Supply Company, Inc. ("SPS") and any buyer of goods from SPS (a "Buyer"). These terms and conditions shall be deemed an essential part of any Quotation issued by SPS and every Acknowledgment issued by SPS. These terms and conditions supersede for all purposes all prior correspondence, Buyer's purchase order to SPS, any past or future order by Buyer, and any other agreement by any agent of either party respecting the goods sold by SPS to Buyer. Buyer accepts these terms and conditions by the placement of an order or by accepting delivery of the goods unless Buyer otherwise rejects these terms and conditions in writing within 24 hours of receipt of the Acknowledgment. Buyer's acceptance of these terms and conditions will form the contract between the Parties (the "Contract"). No addition to, or other modification of, these terms and conditions (including any attempted modification by Buyer through Buyer's order or other document) shall be binding on SPS unless it is in writing and executed by a duly authorized officer of SPS. SPS hereby expressly objects to, rejects and will not be bound by any terms and conditions in Buyer's order or any other document, which are in conflict with or in addition to the terms and conditions herein. Shipment by SPS of the goods whether after the receipt of Buyer's order or otherwise, shall not constitute an acceptance of any additional or different terms and conditions of Buyer.

Price Quotations. All prices indicated on any quote ("Quotation") by SPS are subject to change without advance notice prior to SPS's receipt of a firm order from Buyer and written Acknowledgment by SPS. Unless otherwise stated in the Quotation, all purchase prices are exclusive of any applicable excise, sales, use or other taxes or import, export or customs fees or duties, tariffs, or surcharges which may be imposed on the purchase, sale or delivery of the goods. All such taxes, fees, duties, tariffs, and charges, when applicable will be charged to, and are payable by, Buyer.

Purchase Orders. Buyer's order must specify the quantities requested, otherwise, quantities specified by SPS in its Quotation, or if none, in its Acknowledgment form, shall govern. All sales on an open purchase order must be completed within 90 days from the date of the purchase order unless otherwise specified on SPS's Acknowledgment. All open purchase orders must provide SPS with quantities of the goods and an estimated date of delivery. SPS shall have no responsibility for the supply of goods in amounts which materially vary from Buyer's order. Once received and an Acknowledgment provided by SPS, a Buyer's order may not be modified, canceled, or otherwise altered without SPS's written consent. Any such modification, cancellation or alteration may be subject to cancellation charges or otherwise to conditions as negotiated at such time, which shall protect SPS against any damages or losses resulting therefrom.

Acknowledgment. SPS's obligation to sell goods to Buyer shall become binding only upon a written sale confirmation ("Acknowledgment") of Buyer's order, subject to these terms and conditions and such additional conditions as may be contained in SPS's Acknowledgment, SPS's Acknowledgment may be withheld or modified by reason of product availability, mill lead times, available transportation or other constraints. The buyer's failure to object in writing within twenty-four (24) hours to the terms of SPS's Acknowledgment renders those terms final. In the event Buyer does object, SPS reserves the right to reject Buyer's order completely.

Termination or Modification. The Contract may be modified or terminated only upon SPS's written consent. If all or part of the Contract is terminated, Buyer, in the absence of a written agreement with SPS, shall pay termination charges based upon expenses and costs incurred by SPS in the procurement and storage of the goods to the date such termination is accepted by SPS, except that any goods delivered on or prior to SPS's acceptance of such termination shall be accepted and paid for in full by Buyer.

Terms of Payment. Payment terms are set forth in the invoices SPS issues to Buyer and subject to credit approval (example: COD Sales, Cash in Advance Sales). Payments shall be made to SPS at the address specified in SPS's invoice. Pro rata payments shall become due, as shipments are made. If payment is not paid on or before its due date, the Buyer agrees that

SPS may also cease performance under any and all of Buyer's purchase orders whether or not related to the late payment. Buyer agrees to pay an additional twenty percent (20%) of any outstanding amounts older than 90 days past due regardless of whether SPS elects to turn Buyer's account over to a collection agency or otherwise exercise its rights and remedies at law or in equity. Buyer agrees to pay all reasonable fees and expenses incurred in connection with, or to collect on, Buyer's account, including reasonable attorney fees. Whenever, in the judgment of SPS, the financial condition of the Buyer does not justify the continuation of procurement or shipment on the specified terms of payment, the SPS may require full or partial payment in advance.

Delivery/Force Majeure. SPS shall in good faith endeavor to meet estimated delivery dates. SPS shall not be responsible for claims for error in quantity, weight, or number not made within ten (10) calendar days after Buyer's receipt of goods. SPS will not be liable for any delay in performance of this Contract or delivery of goods when the delay is caused directly or indirectly by events not within its control, including but not limited to, fire, flood or other severe weather conditions, accident, riot, acts of God, war, pandemics, disease, governmental interference, strikes or other labor difficulties, shortage of labor, fuel, power, materials or supplies, transportation delays, failure of tooling or the repair, maintenance or rehabilitation of the tooling, or any other cause or causes whatsoever beyond its control. In the event, SPS is delayed in performance by Buyer or at Buyer's request, the Buyer will be responsible for any resulting increase in cost, including handling and insurance charges and storage charges incurred by SPS, if it so elects. In the event delay is caused by Buyer's failure to furnish information necessary for SPS's performance, SPS may extend the shipment date for a reasonable time in proportion to the period of Buyer's delay. SPS is not responsible for loading or unloading Buyer's trucks or its designated common carriers for goods sold FOB SPS.

Rejections. All claims of rejection must be communicated to SPS in writing within sixty (60) calendar days of receipt by Buyer of the goods, with documentation supporting such claim, and are subject to inspection by SPS. Goods that are rejected are to be returned to SPS in the form and condition in which received by Buyer, at Buyer's sole cost, unless otherwise agreed upon by the parties in writing.

Installment Deliveries as Separate Sales. Each installment of goods to be delivered pursuant to this Contract is to be considered as a separate sale and Buyer shall be liable to pay the agreed price for each such installment without regard to any failure to deliver other installments, and SPS's breach or default in the delivery of any installment shall not give Buyer the right to refuse to receive any other installments.

Risk of Loss. The buyer assumes all risk of loss of goods upon delivery by SPS's designated carrier to Buyer's facility identified in SPS's invoice unless the parties otherwise agree in writing. SPS agrees to package the goods, put them in the possession of its designated carrier, make appropriate arrangements for their transportation, and obtain and deliver documents necessary to enable Buyer to obtain possession of the goods. The buyer agrees to pay all loading, unloading, and other charges incidental to transportation.

Limited Warranty. SPS warrants that for a period of sixty (60) calendar days from the date of delivery to Buyer, the goods will conform to their description as stated in the invoice, subject to tolerances and variations consistent with the usual trade practices regarding dimensions, straightness, section, composition, and mechanical properties and normal variations in surface and internal conditions and quality, and shall also be subject to deviations from tolerances and variations consistent with practical testing and inspection methods. SPS MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, BY OPERATION OF LAW OR OTHERWISE, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ANY WARRANTIES ARISING FROM COURSE OF DEALING, USAGE OR TRADE PRACTICE, ALL OF WHICH ARE EXPRESSLY DISCLAIMED.

WITHOUT LIMITING THE FOREGOING, SPS MAKES NO WARRANTY OF ANY KIND THAT THE GOODS WILL MEET BUYER'S OR ANY OTHER PERSON'S REQUIREMENTS SPS's sole obligation under the foregoing warranty will be limited to either, at SPS's option, replacing or repairing the defective goods or refunding the purchase price paid for such goods previously paid by Buyer, and Buyer's exclusive remedy for breach of any of such warranty will be enforcement of such obligation of SPS. The limited warranty will not extend to goods subjected to misuse, abuse, neglect, damage, accident, or improper installation or maintenance or which have been altered or replaced by anyone other than SPS or its authorized representative. SPS shall not be liable on any claim for defective goods, which is not made within sixty (60) calendar days after such goods have been received by Buyer.

Remedies and Limitation of Liability. In the event, Buyer claims SPS has breached any of its obligations under this Contract, whether of warranty or otherwise, SPS may tender to Buyer the purchase price previously paid by Buyer, request the return of any goods delivered, and in such event, SPS shall have no further obligation under the Contract except to refund such purchase price. No goods may be returned without SPS's written request. If SPS requests the return of the goods, the goods will be redelivered to SPS at Buyer's expense by lowest-cost mode of transportation unless otherwise authorized in writing by SPS. SPS reserves the right to inspect any claimed defect, repair defective goods or install replacement parts, and perform any adjustment incident to satisfactory operation of the goods. The remedies contained in this and the preceding paragraph shall constitute the sole recourse of Buyer against SPS for breach of any of SPS's obligations under the Contract, whether of warranty or otherwise. In no event shall SPS be liable for incidental, consequential or special damages, including without limitation, lost revenues, lost profits, recall expenses, or line downtime of Buyer or Buyer's customer or a customer remote to Buyer, nor shall SPS's liability on any claim for damages arising out of or connected with the Contract or the manufacture, sale, delivery or use of the goods exceed the purchase price of the goods previously paid by Buyer to SPS. Any warranty rights which SPS may have relating to any goods provided by other suppliers will be assigned to Buyer upon request. SPS shall not be liable for failure to perform its obligations under the Contract resulting directly or indirectly from circumstances beyond SPS's control.

Indemnification. Buyer will indemnify and hold SPS harmless from, any and all claims and liabilities, including reasonable attorney's fees, arising out of, connected with, or resulting from the goods, including but not limited to, the design, manufacturing, selection, delivery, possession, use and/or operation of the goods. SPS's entire liability for goods is limited as set forth in this Contract.

Disclosure and Use of Technical Information. Any technical information disclosed by either Buyer or SPS to the other during the term of this agreement is proprietary to each and may not be used by the other or disclosed by the other to any other entity without the written consent of the owner of such technical information. Any technical information owned or developed by SPS, including but not limited to, patents, trademarks, copyrights, know-how, and proprietary information, and used for the supply of goods under this Contract shall remain the sole and exclusive property of SPS. Except as authorized in writing by and on terms acceptable to SPS, the Buyer shall have no right to disclose any technical information to any third party or to have any third party make any goods that use the technical information owned by SPS.

Cancellation/Reschedule of Purchase Orders. In the event of any cancellation of all or part of any purchase order by Buyer, Buyer agrees to pay SPS for all reasonable and allocable materials, material management, labor, overhead and general and administrative costs and expenses incurred as a result of any such cancellation, within thirty (30) calendar days from the date of SPS's invoice setting forth such costs and expenses. By way of illustration and not limitation, SPS's costs incurred by reason of Buyer's cancellation may include the storage costs for the items to be

purchased and costs associated with relocating the production to an alternate source, as well as the costs of unreimbursed and/or unamortized research and development costs, capital equipment, and other property and supplies of SPS needed to produce and which are unique to the goods

In the event of such cancellation and upon receipt of payment as described above, all completed goods, assemblies in process, components, and any tooling, and equipment owned by Buyer and furnished to SPS under this Contract shall be returned to Buyer in accordance with instructions specified by Buyer.

Governing Law, Limitations, and Forum. The formation and performance of the Contract shall be governed by the Uniform Commercial Code, as adopted in the state of Kansas. Any action for breach of the Contract, including any breach of warranty, must be commenced within one (1) year after the cause of action has accrued. This Contract shall not be subject to or governed by the United Nations Convention on Contracts for the International Sale of Goods. Buyer acknowledges and stipulates that this Contract was formed in the State of Kansas and shall be deemed to have a situs of performance at the SPS's principal corporate office in Manhattan, Kansas. The parties agree that the venue for any legal or equitable actions arising out of this Contract or any other contract between the parties relating shall lie exclusively in the state District Court of Riley County, Kansas. SPS and Buyer agree that such court shall have in personam jurisdiction over the parties.

Minimum Purchase Requirements. Buyer hereby acknowledges and agrees that the prices set forth in this Contract are contingent upon Buyer's agreement to purchase the total quantities set forth in the Buyer's request for quote/proposal. If Buyer's actual purchases differ more than ten percent (10%) from the estimated quantities of goods contained in its request for quote/proposal, Buyer agrees that the pricing on the goods delivered to Buyer shall be adjusted retroactively to reflect the impact of the volume difference on material pricing, labor efficiencies and other cost and expenses of SPS. The buyer hereby agrees to pay SPS such additional sums within thirty (30) calendar days of the date of SPS's invoice for payment.

Assignment and Delegation. No right or interest in this Contract shall be delegated or assigned by Buyer without the prior written permission of SPS. Buyer warrants that it is purchasing for its own account and not as an agent.