

## Business Policies

The following terms and conditions apply to the procurement of our steel tank and pressure vessel fabrication services:

### Quotations

All quotations made by Seller are subject to change without notice, subject to review prior to sale, and unless otherwise noted. We reserve the right to cancel contracts upon which full specifications are not given to us within the time allowed. Any changes in specifications from quotation to final drawings will alter prices accordingly. We will not proceed with changes until you approve.

### Purchase Orders

All orders must be issued in written form. All orders must refer to a quotation number. Verbal orders must be followed by an authorization document. Such orders are the responsibility of the customer. All purchase orders must be acknowledged by Universal Tank & Fabrication, Inc. to be valid. Specially ordered (non-stock) material is subject to cancellation charges. No orders will be modified without our written consent / acknowledgement.

### Warranty and Liability

Seller warrants that goods sold here under will conform to the description stated within the quotation and or the acknowledged Purchase Order, subject to tolerances and variations consistent with current trade practices and practical testing and inspection methods per the seller's design criteria. Workmanship and material shall be under warranty for one year. SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTY OF MERCHANTABILITY OR THE WARRANTY OF FITNESS FOR PARTICULAR PURPOSE. Seller's liability on any claim, whether in tort or in contract, and whether on account of Seller's delivery of non-conforming goods or non-delivery, shall be limited to repair or replacement of the defective or non-conforming goods, or repayment of the purchase price as Seller may in its sole discretion elect. IN NO EVENT SHALL SELLER HAVE ANY LIABILITY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES INCLUDING, BUT NOT LIMITED TO, ERECTION COSTS, LOST PROFITS, DAMAGE TO GOODWILL, LOSS OF TIME, INCONVENIENCE OR OTHER COMMERCIAL OR ECONOMIC LOSS, and in no event shall Seller be liable for damages exceeding the purchase price to be paid to Seller here under or for the unique item covered by the Purchase order.

### Claims Procedure

Buyer agrees to inspect all goods upon delivery and no claims for shortages or delivery of non-conforming goods need be honored by Seller unless written notice of such claim is received by Seller within 15 days of delivery. Seller shall in no event pay or be liable for any claim resulting from damage caused by Buyer or Buyer's agents or the installation, alteration or repair of apparently improper, defective or damaged goods. BUYER MUST INSTITUTE LEGAL ACTION ON ALL CLAIMS AGAINST SELLER WITHIN ONE YEAR OF DELIVERY. No action may be maintained by the Buyer, which is not commenced within such period notwithstanding any statutory period of limitations to the contrary.

### Delays

Seller shall not be liable for any delay in performance or shipment arising from casualty, riots, acts of God, government intervention, material, supply or transportation availability, labor difficulties, embargoes or any other cause beyond its control, and if such delay shall extend beyond 30 days, Seller may invoice Buyer for goods to be delivered if delays are created by buyer once seller has completed initial order. Receipt of goods by Buyer shall constitute acceptance of delivery and WAIVER OF ALL CLAIMS FOR LOSS OR DAMAGE DUE TO DELAY.

### Terms of Payment

Terms, unless otherwise set down in the purchase order and acknowledged by seller, are net cash 30 days from the date of each invoice. All payments received after 30 days from the date of invoice shall be subject to a post-maturity charge at the rate of 1.5% per month or any lesser charge reflecting the maximum amount legally permissible. Risk of loss passes to Buyer upon Seller tendering goods to the common carrier.

### Credit

Seller reserves the right at any time to suspend or change credit terms provided herein or to require full or partial payment in advance, if in Seller's sole opinion the financial condition of Buyer so warrants.

### Expenses and Attorney's Fees

Buyer agrees to pay Seller's reasonable costs, expenses and attorney's fees incurred by Seller in enforcing Buyer's obligations or Seller's rights here under, in collecting any money due from Buyer or in successfully defending against any claim made by Buyer.

### Cancellation Policy

Cancelled orders may be subject to a minimum charge of \$3,000 plus the costs of any non-refundable materials or engineering services prior to cancellation. Materials will be subject to a 15% administrative fee; additional engineering services will be charged at full rate. (Note: The \$3,000 Minimum charge is based on the first set of red line drawings for construction having been completed, or partially completed, plus any materials that have been released with customer approval at the time of purchase agreement.) In the event the order is cancelled prior to the start of drawings for approval or material release, the order may be subject to a cancellation fee of \$1500 or 10% of the purchase order amount, whichever is less.