

AMS Resource, Inc.
Alloys, Metals & Steel Resource Specialists
TERMS AND CONDITIONS

CONDITIONS OF QUOTATION AND SALE - In consideration of the mutual promises and covenants recited herein and other good and valuable consideration, including but not limited to the issuance of the quotation by Seller and the placing of this order by Buyer, the parties agree that all quotations and all sales, including repeat orders, will be subject only to the following terms and conditions. Acceptance of an order is subject to AMS Resources, Inc. Terms and Conditions ONLY. Any conditions of acceptance included in any purchase order provided by the Buyer will be disregarded. If the buyer requests AMS Resources, Inc. accept any Terms and Conditions of the Buyer, the Buyer must submit those terms at the time of their original order and said Terms and Conditions must be signed by the President of AMS Resources Inc. to be valid and binding. This instrument will constitute our contract, and its terms may not be modified except in a writing signed by the President of AMS Resource, Inc.

1. Seller's stenographical and clerical errors are subject to correction.
2. Prices shown on quotations are Seller's prices in effect on the date the quotation is made. Unless otherwise agreed in writing, shipments will be billed at Seller's prices on the date of shipment, except that in case of any decrease in prices where Seller has made commitments and/or expenditures for Buyer's account, the billed prices will not be lower than those shown on the quotation. Prices will comply with all governmental regulations in effect at the time. Quotations must be accepted by Buyer within thirty (30) days from the date of quotation.
3. Credit applicant agrees that if credit is extended, all credit and sales made shall be subject to the following:
 - a. Applicant shall pay the full amount of the invoice(s) when due, which is defined to be thirty (30) days from the Invoice date, unless otherwise agreed prior to order placement.
 - b. If payment in full is not received by the due date, applicant shall owe a late fee of 10% per month, or the maximum allowed by law, on all unpaid balances. No services will be rendered once an account has become outstanding.
 - c. If payment is not received by the terms of this proposal, the Buyer shall pay all reasonable attorney's fees, service charges, court costs (if applicable) and any other costs involved in collection.
 - d. The parties further agree that any cause of action brought by either party must be brought in the Twenty-Second Judicial Circuit, McHenry County, Illinois.
4. Accounts are opened only with firms or individuals with approved credit. Seller reserves the right to make shipments only for cash in advance or on delivery whenever, for any reason, doubt as to Buyer's financial responsibility develops, and Seller shall not in such event be liable for non-performance.
5. Seller may complete orders, and Buyer shall accept such orders, within ten per cent (10%) over-run or under-run of the total quantity of each part specified in a purchase order unless otherwise mutually agreed in writing. However, Seller will attempt to furnish as near to the exact quantity ordered as operating conditions reasonably permit.
6. Entire quantities of orders are to be shipped when manufactured and orders cannot be cancelled or deferred, except with Seller's written consent and upon terms which will indemnify Seller against loss. In its discretion, Seller may bill Buyer for cancellation or storage charges if orders are cancelled or deferred.
7. In the absence of shipping instructions, Seller will use its discretion as to the selection of shipping services and routes. Seller assumes no responsibility in connection with the shipment of articles to Buyer.
8. Estimates of shipping dates are made by Seller in good faith but are not guaranteed. Seller does not assume responsibility for, and shall not be liable in damages for, delays or failure to deliver due to strikes, differences with employees, accidents, fire, floods, delays due to carriers or other causes for delay beyond Seller's control, including but not restricted to delays as a result of any preference, priority or allocation order. Goods will be billed f.o.b., Seller's plant, Loves Park, IL. All freight, drayage, boxing and crating charges on orders, patterns and tooling, both to and from Seller's plant, are the responsibility of Buyer.
9. WARRANTY. Seller warrants title to the articles sold hereby, and that such articles are of merchantable quality and free from encumbrances. All castings are sold as rough castings. Seller makes no warranty of suitability of the articles sold hereby for any specific purpose of Buyer, whether or not known to Seller, and SELLER MAKES NO OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE WHICH EXCEED OR DIFFER FROM THE WARRANTIES HEREIN EXPRESSED ARE DISCLAIMED BY SELLER AND EXCLUDED FROM THIS AGREEMENT. Seller is not responsible for the results of any technical advice given in connection with the design, installation or use of articles sold hereby. The terms of this warranty apply to all sales by Seller, and no employee of Seller or any other person is authorized to give any warranty other than those expressly stated herein or to waive or modify any of the terms of this warranty.
10. BUYER'S REMEDIES. Seller will, at its option, repair or replace articles sold hereby at Seller's plant, or will allow credit for the purchase price of articles sold hereby, if, and only if (i) upon inspection by Seller, the articles are proved defective, or not in conformity with specifications, if any, agreed upon by Buyer and Seller, by testing in accordance with the methods of the American Society for Testing and Materials, (ii) written notice of such defects or nonconformity is given by Buyer promptly after discovery thereof and in no event later than thirty (30) days from the date of shipment of the articles by Seller, and (iii) such articles have been returned to Seller or, at Seller's option, Seller has been given reasonable opportunity to inspect the articles, in either event no later than thirty (30) days from the date of shipment to Buyer. No credit allowance will be made for repairs or other work performed at Buyer's plant or on Buyer's order. IN NO EVENT SHALL SELLER BE LIABLE TO BUYER OR TO ANY OTHER PARTY FOR ANY LOSS, DAMAGE OR EXPENSE, INCLUDING INCIDENTAL OR CONSEQUENTIAL DAMAGES, INJURIES, DEATH, DAMAGE TO PROPERTY, LOSS OF USE OF PROPERTY, CLAIMS FOR LABOR EXPENDED, WELDING, MACHINE WORK OR DAMAGE DUE TO THE REJECTION OF FINISHED PARTS, DIRECTLY OR INDIRECTLY ARISING FROM THE USE OF ARTICLES SOLD HEREBY OR FROM ANY OTHER CAUSE, SELLER'S LIABILITY BEING EXPRESSLY LIMITED TO THE REPLACEMENT, REPAIR OR CREDIT OF DEFECTIVE ARTICLES. Under no circumstances will Seller be liable for any articles sold hereby which become defective or inoperative due to accident, misapplication, abuse, misuse or alteration.
11. Claims for error in weight and/or quantity must be made by Buyer in writing within ten (10) days after Buyer's receipt of shipment, and such claims shall be subject to verification by Seller. The written claim must specify both the weight and quantity of each article received by Buyer. Articles will be treated as definitively acceptable for all purposes if placed in service by Buyer or not returned to Seller within thirty (30) days of shipment to Buyer.
12. Acceptance of any order is conditioned upon the express understanding that Buyer agrees to defend, protect, and save harmless Seller against all damages, claims, suits or infringement demands or actions which may be brought against Seller because of the manufacture and/or sale of articles in accordance with Buyer's specifications.
13. Unless otherwise agreed in writing, Buyer represents that all purchases are to be for resale and therefore not subject to any Illinois county or local retail, use, sales or service taxes. If articles purchased are used or consumed by Buyer, any costs thereby incurred by Seller will be reimbursed in full by Buyer.
14. Should Seller be prevented from completing any order because of any rule, regulation or order of any state or the federal government or governmental body or authority, then Buyer agrees promptly, upon request, to pay to Seller for any part or parts then completed or in process an amount determined by Seller to represent the proportionate price of the order so completed or in process.
15. Seller hereby certifies that all orders will be produced in compliance with all applicable requirements of Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and of the regulations and orders of the United States Department of Labor issued under such Act. This agreement is to be governed and construed under the laws of the State of Illinois.