



TERMS AND CONDITIONS

1. Definitions

"Seller" means GALVAN INDUSTRIES, INC.; "Buyer" means the company, person or other entity who is the purchaser of the Goods; "Goods" means any goods or materials ordered and sold pursuant to the terms and conditions set forth herein.

2. Price

Unless otherwise stated, price of the Goods shall be the price in effect at the date and time of shipment. Seller reserves the right to adjust price based on volume purchases; any discounts allowed for volume purchases will be in the Seller's sole discretion. Price does not include any sales, use, excise or similar taxes which shall be added to the price of the Goods and shall be the responsibility of Buyer. Unless otherwise stated, minimum order is \$125.00 (excluding freight) on any single order. Each shipment will be separately invoiced.

3. Payments Terms

Terms of payment are net thirty (30) days. Interest on late payments shall be applicable at the rate of one and one-half percent (1.5%) per month or an annual percentage rate of eighteen (18%) per annum. In addition, Buyer shall be obligated for Seller's reasonable attorneys' fees that may be incurred by Seller to collect any sums due Seller hereunder. Seller reserves the right to apply any payments received from Buyer to any outstanding invoice of Seller in Seller's sole discretion.

4. Freight

The purchase price of the Goods shall be F.O.B. shipping point with respect to orders of equal to or greater than the present pre-paid dollar amount to a single destination. If Buyer specifies a more costly routing and/or handling than would be normally applicable, or if priority shipping is requested, total shipping charges are chargeable to Buyer regardless of freight allowance terms. In situations of "prepay and add" Galvan is unable to provide a copy of the actual freight bill due to agreements with our carriers regarding rate disclosure confidentiality.

5. Delivery

- (a) Seller's place and point of delivery shall be deemed to be delivery to a carrier at Seller's plant in Harrisburg, N.C., or such other designated shipping point designated by Seller. If Buyer fails to furnish complete shipping directions to Seller within a reasonable time of placing the order, Seller, in Seller's discretion, may make necessary shipping arrangements with a carrier selected by Seller, the cost of which shall be paid by Buyer.
- (b) If and to the extent a delivery date is stated, it is the estimated delivery date only. All accepted orders, whether or not delivery dates are specified thereon, shall be subject to delays or failures in manufacture or delivery due to causes beyond the control of Seller or carrier. Buyer's obligations shall continue notwithstanding any delay in delivery, provided if performance by Seller is prevented in whole or in part for a period of three (3) consecutive months, then in such event Seller or Buyer (provided Buyer is not responsible for the delay) may cancel any order that has not been shipped as of such date.
- (c) If Buyer is unable for any reason to accept delivery of the Goods according to the mutually established schedule, Seller at its option and after three (3) days written notice to Buyer may place the Goods in storage, in which event Buyer shall pay any and all storage or other related costs. If Buyer fails to accept any delivery or part thereof, then Seller may at its option treat such failure as a breach of this Agreement and exercise any and all remedies available to it pursuant to the terms and conditions set forth herein or available to it as a matter of law.

6. Credit

Seller's obligations are at all times subject to Seller's approval of Buyer's credit standing. Upon request, Buyer shall furnish Seller such credit information as may be customary and as may be reasonably requested by Seller. Seller, at its discretion, reserves the right to require payment in advance or C.O.D. and/or otherwise modify credit terms. If at any time Buyer is past due with respect to amounts due Seller, Seller at its option (without liability or prejudice to any other remedies), may decline to ship, or stop any Goods in transit, until such time Seller receives payment in full of all amounts owing to it by Buyer or otherwise receives assurances satisfactory to Seller of such payment.

7. Risk of Loss

Risk of loss or damage to the Goods shall be solely that of Buyer upon delivery to a carrier for shipment; any loss or damage subsequent to such delivery shall not be the responsibility of Seller, provided further any such loss shall not release Buyer from Buyer's obligation to pay for the Goods. Any claim for damage or loss in transit must be asserted by Buyer against the carrier.

8. Warranty

Seller warrants that the Goods will conform to the description stated herein subject to tolerances and variations consistent with current trade practices, testing and inspections methods. Seller makes no other warranties hereunder, expressed or implied. Seller specifically disclaims any implied warranties of merchantability or fitness for a particular purpose.

9. Claims

- (a) Buyer shall inspect the Goods immediately upon receipt. Any claim that the Goods have been damaged or otherwise do not conform must be made to Seller in writing within ten (10) days of receipt of such Goods by Buyer. All claims for defective or non-conforming Goods must be submitted in writing to Galvan Industries, Inc., accompanied with a copy of the signed bill-of-lading noting the damage/shortages, and any other information (photos, etc)supporting your claim. PO Box 369, Harrisburg, NC 28075. In the absence of such notice, the Goods shall be deemed to be accepted by Buyer.
- (b) With respect to any valid claims properly submitted hereunder, Buyer's exclusive remedy and Seller's sole liability shall be limited to Seller repairing or replacing Goods that do not conform to specifications, or at Seller's sole option refunding the purchase price of the Goods. In no event shall Seller have any liability to damages in connection with the sale of the Goods in an amount exceeding the purchase price of the Goods sold. Seller shall have no liability for any consequential, special or indirect damages.
- (c) Claims for quantity deviations or unit pricing errors are deemed waived unless submitted in writing within thirty (30) days of notice of invoice.

10. Quotations

Quotations, based on plans and specifications, are Seller's interpretation of the requirements and include only the material described and listed on the quotation unless otherwise stated. Quotations will be in writing and unless otherwise specified will remain in effect for a period of thirty (30) days from issue date. Formal written purchase orders for work covered by any quotation submitted must be received within forty-five (45) days from the date of quotation. Prices and inventory classifications are subject to changes without notice, and are those in effect at the time of shipment.

11. Errors

Galvan reserves the right to correct at any and all times any errors and omissions relating to any component or item upon which a purchase order may be based, including, but not limited to, clerical or stenographic errors or omissions as may relate to quotations, price, catalog and other materials supplied by Galvan, or other terms and conditions as reasonably determined by Seller.

12. Returns

Goods may be returned for credit upon request and upon Seller's approval for return authorization. Any returned items are subject to reasonable restocking charges which shall be deemed to be twenty-five percent (25%) of the price of the Goods returned. Any returned items must be in saleable condition, in the original standard packages, and conform to current catalog descriptions. All returned material is to be shipped to seller freight prepaid. Unless otherwise stated, these terms and conditions govern the purchase and sale of the Goods. All terms and conditions, including price, are subject to change without notice as to any Goods not shipped as of the effective date of such change.

13. Cancellation

Orders received and accepted by Seller may not be cancelled or changed subsequent to delivery, prior to that date such orders received and accepted by Seller with the written permission of Seller. Any cancellation or change shall be subject to applicable charges for labor, material, and other costs actually incurred by Seller.

14. Seller's Remedies

If Buyer cancels this Agreement prior to shipment for any reason, without Seller's consent, Buyer shall pay Seller for all costs and expenses incurred by Seller, including the cost of all work executed or performed; any special engineering costs and commitments made by Seller prior to the time of cancellation; and all other incidental and storage costs incurred prior to resale.

15. Binding Nature

These terms and conditions shall be binding upon the parties hereto, their successors and assigns.

16. Authority

Any person, employee or agent otherwise acting on behalf of Buyer hereunder shall be deemed to have full authority to act on behalf of Buyer which Seller may rely on exclusively without further inquiry.

17. Governing Law

This Agreement shall be construed in accordance with and governed by laws of the state of North Carolina.