

B. W. SINCLAIR, INC.

BULK MATERIAL HANDLING

P. O. Box 1111
13923 US Hwy 287 North
Wichita Falls TX 76307-1111
Phone 940-766-2556
Fax 940-766-0430
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CONDITIONS OF SALE

1. PRICES AND ACCEPTANCE

All quotations are valid for thirty (30) days only from the date of the quotation unless otherwise agreed on in writing. Sale of goods is not considered complete until the factory accepts the order.

2. LIMITED WARRANTY AND DISCLAIMER

B. W. SINCLAIR, INC. warrants that the equipment of its manufacture is free from defects in material and workmanship at the time of shipment and for a period of one (1) year from start-up or eighteen (18) months from delivery, whichever occurs first. We will repair or replace, at our discretion, any product of our manufacture which is shown to our satisfaction to have been defective at the time it was shipped, provided the product claimed to be defective is made available for our inspection. Return and reshipping methods are at our discretion. We shall NOT be responsible for costs of disassembly or assembly at the job site. This warranty does not cover, (1) damage or deterioration due to use or misuse, exposure, alteration, negligence or accident, (2) products that have been altered or repaired by others without our written permission, (3) equipment manufactured by others and not included in our proposals.

This is the only warranty, whether expressed, implied, or statutory, and liability is limited to the repair or replacement of parts. We shall not be liable for any other expense, injury, loss, or damage, whether direct or consequential, including but not limited to loss of profits, production, increased cost of operation, spoilage of materials, or any delay arising in connection with the use, or inability to use our product for any purpose. The purchaser expressly waives all other damages and warranties.

3. TITLE

Title to the equipment is surrendered when final payment is made. Possession may be given before final payment is due, and to protect us against default in payment or in event of an execution of attachment is levied on your property, it is hereby expressly agreed.

- The title and the right to possess this material shall remain with us until the final and full payment is made. Even though title remains with seller, risk of loss or damage is the responsibility of the purchaser.
- No part of this material shall be considered a fixture or incorporated into the realty by virtue of its attachment by us or our clients in the event of default by purchaser.
- We shall have the right to elect a claim of mechanic's lien against the property upon which this material is situated and waive our rights to repossess under the two (2) preceding paragraphs, any time before expiration of the time fixed by law for filing such liens.

4. CONTRACTS

All prices are F.O.B. factory unless otherwise agreed upon in writing. Our responsibility and any liability cease when delivery is made to the transportation company. Claims for shortages or damages to shipments while in transit should be made against the carrier.

5. PROMISE OF DELIVERY

Promise of delivery represents only our best estimate of time necessary to complete the work. Failure to complete the work within the estimated

time will NOT warrant cancellation of the order unless upon terms which will indemnify us against loss.

6. CANCELLATION

All orders are considered firm contracts and are not subject to cancellation except on terms that will indemnify us against loss of any kind of nature.

7. FREIGHT ALLOWANCE

All sales are F.O.B. factory. Proposals or quotations, which are based upon freight allowance to first destination, will have freight prepaid to terminal at destination. Any extra transportation costs incurred by the purchaser because of his own specific routing instructions will be borne by the purchaser.

8. RETURNED GOODS

No material shall be returned to us for credit without our written authorization.

9. SPECIAL TAXES

Any duty, impost, federal, state or local taxes if and when assessed are to be paid by the purchaser.

10. SAFETY DEVICES

The seller shall not be required to furnish any safety devices except those specified in our proposals, except that in the event further safety devices are required by purchaser, seller will at purchaser's expense furnish the same upon receipt of proper specifications thereof. The seller shall, in no way, be liable or responsible for injuries or death to persons or damages to property arising out of the use or operation of equipment sold and purchaser assumes all such responsibility and liability.

11. JURISDICTION AND INTERPRETATION

All contract and purchase orders are interpreted under the laws of the State of Texas and each purchaser agrees to be subject to service of process in the State of Texas for purposes of actions to collect upon monies owed B. W. SINCLAIR, INC.

12. INDEMNITY CLAUSE

All purchase orders accepted by B.W. Sinclair Inc. will have the following indemnity clause. This paragraph cannot be superseded by customer purchase orders, signed or unsigned, written or oral agreements. Any purchase order issued to B.W. Sinclair Inc. is buyers acceptance of this indemnity clause.

Each Party ("Indemnitor") shall, to the extent permitted by law, indemnify defend and hold harmless the other Party from and against any and all claims, demands, complaints or actions of third parties (including employees of the Parties or government agencies) arising from or related to this Order (including personal injury, death, property damage or damage to the environment), to the extent caused or arising out of the negligence, willful misconduct, breach of this Order or a related agreement, or violation of law or by the indemnitor or any subcontractor of the indemnitor. Further, in the event the Parties are jointly at fault or negligent, they agree to indemnify each other in proportion to their relative fault or negligence. The claims, demands, complaints and actions covered hereunder include all settlements, losses, liabilities, judgments, court costs, reasonable attorneys' fees, fines, penalties and other litigation costs and expenses arising from or related to such claims, demands, complaints or actions. Each Party shall bear the cost it incurs as a result of compliance with this Section.

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STEEL PRICING CAUTION

The last few months have represented an almost unprecedented confluence of factors in the steel industry that has changed the landscape of all products using steel as raw material.

Increased demand for finished product, scarcity of raw material inputs of steel as well as increased commodity prices of energy, alloy elements, and freight have pushed the steel industry to the limit and resulted in the ultimate seller's market. Contract pricing has fallen by the wayside as all previously booked orders are being invoiced at new higher pricing that exists as of ship dates.

Steel prices are rising on a monthly basis due to surcharges as well as base increases with no warning or grace period. U.S. steel suppliers have announced significant price increases and are now charging "raw material surcharges" in addition to those increases.

Because of these factors, B. W SINCLAIR INC. reserves the right to review all quotations at the time of order placement.