



2116 Preston Street, Rockford, IL 61102 • Phone 815-987-3200 • Fax 815-987-9865 • Toll Free 800-892-2981

TERMS and CONDITIONS OF PURCHASE

ANY CONTRACT FORMED WITH LIEBOVICH BROS., INC. OR WITH CUSTOM FAB CO.; GOOD METALS COMPANY; LIEBOVICH STEEL & ALUMINUM CO.; LIEBOVICH STEEL & ALUM IOWA; HAGERTY STEEL & ALUMINUM CO.; LIEBOVICH STEEL & ALUM NORTH; LBT, INC.; HEREINAFTER "LIEBOVICH", IS EXPRESSLY CONDITIONED ON THE FOLLOWING TERMS AND CONDITIONS:

These Terms and Conditions of Purchase apply to all Purchase Orders submitted by Liebovich to Seller. They shall automatically become a part of all Purchase Order contracts unless Liebovich and Seller expressly agree otherwise in writing, making express reference to these Terms and Conditions of Purchase.

ACCEPTANCE: This Purchase Order becomes a contract by partial or full performance of the order, or when Liebovich gives Seller written approval of the price and delivery schedule as proposed by Seller. Except as provided in the preceding sentence, it is a condition of this order that any provisions printed or otherwise contained in any acknowledgment hereof, which are inconsistent with or in addition to the Terms and Conditions herein stated, and any alteration in this order, shall have no force and effect, and that Seller by such acknowledgement thereby agrees that any such provisions therein or any such alterations in this order shall not constitute any part of this contract of purchase and sale. This contract contains the entire agreement of the parties, and failure of either party to enforce any of its rights hereunder shall not constitute a waiver of such rights or of any other rights hereunder.

SHIPPING CHARGES: No additional charges will be allowed for packaging, handling, or shipping except by express written agreement by Liebovich to such charges.

DELIVERY: Time is of the essence on all orders and failure to deliver any part of such orders within the time specified gives Liebovich the right to cancel the unfulfilled portion of such orders without charge.

NON-CONFORMING GOODS: All goods not fully up to standard and not in compliance with the specifications hereof, or shipped contrary to instructions, or in excess of the quantities herein provided, or substituted for goods described, or allegedly violating any statute, ordinance, administrative order, rule, or regulation may be rejected by Liebovich and returned or held at Seller's expense and risk. Liebovich may charge to Seller all expense of inspecting, unpacking, examining, repacking, storing, and reshipping any goods rejected as aforesaid. The remedies afforded to Liebovich shall not be exclusive, but Liebovich may hold Seller liable for any and all damages arising from any breach or default set forth above. Seller shall not delegate or assign any duties or claims under this order without Liebovich's prior written consent.

CANCELLATION: Liebovich shall have the right to cancel all or any part of the undelivered portion of this order at any time by notice to the Seller. In the event of such cancellation, Liebovich shall not be responsible for consequential damages or lost profit, whether anticipated or actual. The provision of this paragraph shall not limit or affect Liebovich's right to terminate this order due to the Seller's default.

CHANGES: Liebovich shall have the right to make changes in delivery schedules, specifications, methods of shipment, packaging, quantities or the place of delivery. Any changes from the original order shall not nullify the order. No change shall be made unless set forth in writing and signed by an authorized representative of Liebovich. If such changes affect delivery or the amount to be paid by Liebovich, Seller shall notify Liebovich immediately and an equitable adjustment shall be negotiated.

INVOICE AND PAYMENT: Seller must submit its invoice to Liebovich within 60 days following fulfillment of the order. Prices recorded in this order are not subject to increase.

DEFAULT: Upon the happening of one or more of the following events, Liebovich shall have the unrestricted right to cancel and terminate the contract without cost or liability to Liebovich: (1) Seller's insolvency or inability to meet obligations as they become due; (2) filing of voluntary or involuntary petition of bankruptcy by or against Seller; (3) institution of legal proceedings against Seller by creditors or stockholders; (4) appointment of a receiver for Seller by

any court of competent jurisdiction. The acceptance of goods or performance after occurrence of any of the events above enumerated shall not affect the right of Liebovich to cancel its additional obligations.

EXPENSES AND ATTORNEY'S FEES UPON DEFAULT: Seller agrees that Seller will pay to Liebovich all costs, expenses and attorney's fees incurred or paid by Liebovich to enforce any of Seller's obligations or any of Liebovich's rights hereunder or with respect to the goods purchased hereunder.

INDEMNIFICATION: Seller will indemnify, hold harmless, and defend Liebovich from all liability from and against all claims, damages, losses and expenses arising out of or incident to the performance of the contract. Liebovich may set-off against any money due Seller the cost of discharging, defending against or posting a bond on account of any claims, damages, losses or expenses involving the goods provided by Seller to Liebovich pursuant to this order.

GOVERNING LAW: Seller shall comply with all applicable laws, rules, and regulations or other requirements of the municipal, state and federal government and all subdivisions thereof which now govern or may hereafter govern the manufacture, sale, or delivery of the goods contemplated by this order. This order and the acceptance of it shall be a contract made in accordance with the laws of the State of Illinois. Venue for all actions involving Seller and Liebovich shall be in Winnebago County, Illinois.

FAIR LABOR STANDARDS: Seller agrees to comply with requirements of Section 6, 7, and 12 of the Fair Labor Standards Act as amended in the performance of work hereunder and with all applicable regulations and orders of the Department of Labor issued under Section 14.

INSPECTION AND WARRANTY: Goods delivered, whether paid for or not, are subject to inspection, testing, and approval by Liebovich before acceptance. Seller warrants that the sale or use of goods of Seller's design will not infringe or contribute to the infringement of any patents or trademarks or copyrights, and Seller shall defend every suit which shall be brought against Liebovich for any such alleged infringements and to pay all expenses and fees of counsel which shall be incurred in and about defending every such suit and all costs, damages, and profits recoverable in every such suit. Seller expressly warrants that all articles, materials, and work will conform to the applicable specifications or other descriptions given in all respects, and that the goods delivered hereunder will be of good quality, material, and workmanship, merchantable and free from defects. This warranty shall survive any inspection, delivery, acceptance, or payment by Liebovich of the goods or services.

TRADEMARK: If the goods specified within this order are peculiar to Liebovich's design or if the goods bear Liebovich's trademark or identifying mark, they shall not bear a trademark or other designation of the Seller, and similar goods shall not be sold or otherwise disposed of to anyone other than Liebovich without the written consent of Liebovich. The title to any and all drawings and blueprints, jigs, dies, patterns, tools, etc. used in connection with this order shall at all times vest in Liebovich and shall upon completion of deliveries hereunder or upon termination of the agreement pursuant to which this order is issued, be delivered to Liebovich upon request and Seller assumes all liability for loss thereof or for Seller's failure to return such property to Liebovich.

EOE: M/F/D/V

March 2010