

Hilman Industries, Inc. Terms and Conditions

1. Acceptance: All orders are subject to final acceptance by Hilman Industries, Inc. at its principal office in Wallingford, Kentucky on the following terms and conditions, which may not be varied or added to. Any terms in any Buyer's order or confirmation inconsistent with the terms and conditions set forth herein shall not be binding on Hilman Industries, Inc.

2. Prices: The price for each shipment of goods hereunder shall be as set forth in Hilman Industries, Inc.'s price list or quotation as published and applicable as of the date of shipment.

3. Sales On Credit: Shipments and deliveries on credit shall be subject to the continuing approval of the Hilman Industries, Inc. Credit Department. Hilman Industries, Inc. may decline to make shipment or may require payment in advance of shipment to assure due payment. If, by the term of sale, credit is extended to Buyer, Hilman Industries, Inc. reserves the right to revoke such credit if Buyer fails to pay for any goods when due and thereupon Hilman Industries, Inc. shall have the right to demand payment of any amounts overdue and any associated collection costs, including reasonable attorney's fees before further shipment of any good to such Buyer.

4. Delivery: All shipments to customers are FOB factory. Shipments will be made in manner requested by customer providing the extra cost of transportation is borne by the customer. No freight allowance will be made for materials picked up at Hilman Industries, Inc.

4a. Delivery Installments: Hilman Industries, Inc. shall have the right to make in installments. All installments shall be separately invoiced and paid as billed without regard to subsequent deliveries. Failure to pay for any installments when due shall excuse Hilman Industries, Inc. making further deliveries. Delay in delivery of any installment shall not relieve Buyer of its obligation to accept remaining installments.

4b. Delay In Delivery: Hilman Industries, Inc. shall not be responsible for delays in delivery or any failure to deliver due to fire, flood, strike, lockouts and other labor difficulties, delays of supplies, delay or breakdown of carriers, machinery breakdowns, shortages of or inability to obtain shipping space or transportation, act of God, war, mobilization, civil commotion, riots, embargoes, domestic or foreign governmental regulations or orders, or any cause beyond the reasonable control of Hilman Industries, Inc. Hilman Industries, Inc. shall in no event be responsible for consequential damages for failures or delay in delivery.

5. Warranty: Hilman Industries, Inc. warrants to the Buyer that the goods sold and delivered by Hilman Industries, Inc. under any agreement incorporating these Terms and Conditions of Sale are free from defects in material and/or workmanship under normal use and service. THE FOREGOING WARRANTIES ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, ORAL OR WRITTEN, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

6. Limitations Of Liability: Hilman Industries, Inc.'s liability under the foregoing warranties is expressly limited to (i) the replacement of such defective goods, or (ii) the refund of that portion of the purchase price applicable to such defective goods, at Hilman Industries, Inc.'s sole option. IN NO EVENT SHALL HILMAN INDUSTRIES, INC. BE RELIABLE OR RESPONSIBLE FOR SPECIAL INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND OR CHARACTER NOR SHALL HILMAN INDUSTRIES, INC.'s LIABILITY EVER EXCEED THE PURCHASE PRICE PAID FOR SUCH DEFECTIVE PRODUCT.

7. Procedure: No claims against Hilman Industries, Inc. on account of defective material or workmanship shall be allowed unless asserted in accordance with the following procedures: Buyer shall make the examination and test of each shipment within a reasonable time after its arrival at destination. Buyer shall give promptly written notice to Hilman Industries, Inc. of any claim, which claim must be made within ninety (90) days from the date of receipt of such goods, and afford Hilman Industries, Inc.'s representative the opportunity, for a reasonable time, to examine and test the goods. No claim against Hilman Industries, Inc. shall be allowed after more of the merchandise has been used or processed than the quantity necessary to determine the existence of any inferior quality or defective condition. No goods claimed to be defective shall be returned to Hilman Industries, Inc. without its written consent. Upon Hilman Industries, Inc. request, and as a condition to any refund or credit, Buyer shall return to Hilman Industries, Inc. transportation charges collect, the merchandise upon which the refund or credit is based, in the same condition as such goods were in when received by Buyer.

8. Terms Of Payment: Invoices are due and payable Net 30 days after Invoice date. Freight charges are not subject to discount and are payable Net. Interest shall be charged on any overdue amount at the lower of (i) One-and-one-half percent (1 1/2%) per month; or (ii) the highest Legal rate of interest which may be charged in the state of the Buyer's domicile. If Hilman Industries, Inc. shall retain a collection agency and/or attorney to collect amounts overdue after allowing Buyer 10 days notice of its intention to do so, all collection costs, including reasonable attorney's fees shall be payable by the Buyer.

9. Governing Law: Any contract for the purchase and sale of goods incorporating these Terms and Conditions of Sale shall be governed by and constructed in accordance with the laws of the State of Kentucky.