

Standard Terms and Conditions

These terms and conditions, the attendant quotation or acknowledgement, and all documents incorporated by reference therein, are binding upon the Buyer and Efficient Storage Solutions, and constitute the entire agreement between Buyer and Efficient Storage Solutions regarding Efficient Storage Solutions' sale of goods to the Buyer. Unless specifically indicated to the contrary within Efficient Storage Solutions' proposal or acknowledgment, and authorized in writing by an Officer of Efficient Storage Solutions, the following conditions will apply to this proposal or acknowledgment, and will override any contradictory terms and/or conditions on any "requests for proposals", "specifications", "bid packages", purchase orders, contracts, etc. Issuance of a purchase order to Efficient Storage Solutions shall constitute acceptance of the following conditions.

Pricing: The prices of your goods are subject to surcharges for steel costs. Any surcharge on the date of shipment will automatically be added to your final invoice and charged and collected according to the actual weight and surcharge rate in effect at time of shipment.

Domestic payment terms: The pricing in this proposal is based upon the following progressive payment schedules, subject to credit approval: (Dollar amounts shown reflect total project cost; including the sum of all split shipments on one purchase order, all separate purchase orders relating to the same project or related projects, and estimated steel surcharges at the time of order.)

\$0 - \$249,999 net material cost	Invoiced as shipped Net 30 days from invoice date
\$250,000 - \$499,999 net material cost	20% down with purchase order 80% as shipped Net 30 days from invoice date
\$500,000+ net material cost	25% down with purchase order 25% with print approvals 50% as shipped Net 30 days from invoice date

International payment terms: Shipments going outside the United States of America will require a "Letter of Credit" or "Cash in Advance", unless other arrangements have been previously approved by Efficient Storage Solutions' Credit Department. International projects will be quoted and payments will be made in U.S. currency. Full payment is required prior to goods leaving the United States of America.

Payments owed to Efficient Storage Solutions that are not paid when due will bear interest from the date on which they are due until paid, at one and one-half percent (1.5%) per month, not to exceed the maximum rate permitted by law (Finance Charges). Finance Charges are due immediately upon receipt. "Days" are calculated from date of invoice (the date of shipment) and the date of our RECEIPT of payment; Efficient Storage Solutions will re-invoice for amounts due arising out of payments made outside of these terms. In the event that any amounts due, including Finance Charges, are not remitted promptly, the Seller reserves the right to use all means to cause payment, including, but not limited to changing the Buyer's credit status to "Cash in Advance", to execute liens, or to withhold shipment of other orders already placed with Seller by the Buyer. In the event that collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable. Restrictive endorsements or other statements on checks accepted by Efficient Storage Solutions will not apply. Payments are to be made in U.S. currency.

Excluded charges: Unless specifically indicated within our proposal, prices do not include the costs of any permits, stamped or certified calculations or drawings, sales or use taxes, duties, customs, insurance,

port charges, detention charges, bonds, training, shipping, assembly (installation), receiving, storage, and maintenance costs or any other costs not detailed within our proposal.

Sales and Use Tax: The Buyer is solely responsible for any and all taxes, and reimbursement to Efficient Storage Solutions of any taxes paid on the Buyer's behalf, whether due at the time of the sale or any later date (excluding Efficient Storage Solutions' income tax), including any penalties and interest. This quote or acknowledgement does not include sales tax unless indicated otherwise. At the time of invoicing, sales tax will be added if the product ships to the state of Texas unless a valid sales tax exemption certificate or resale certificate for this state has been provided. Taxes will be at the prevailing legal rate at the time of invoicing. If sales tax figures are detailed for other states, this is for your information only, and in those cases the end user must pay these taxes directly to the taxing agency.

Shipping Date: Lead-time estimation is approximate as of the date of quotation, and may vary between time of quotation and order placement (receipt of a complete written purchase order). The purchase order must include a purchase order number, signature, and paint color(s). Approximate lead-time will be confirmed at time of order placement. Lead time estimates are intended to reflect the beginning of shipment, and not delivery, completion, or rate of shipment. All shipping dates are approximate and are based upon Buyer's prompt payment of all amounts due and Efficient Storage Solutions' prompt receipt of all necessary information requested from Buyer. Print/drawing approvals are required on many projects, without such approval purchasing of raw materials and fabrication cannot commence; delays in customer approval supplied prints/drawings, or extensive changes to drawing may extend the estimated lead-time. Only one set of changes may be made to the drawing. Efficient Storage Solutions will not honor any back charges, nor allow any deductions in payment of invoices, arising in delays in delivery that were in turn caused by delays in approval of prints/drawings or extensive changes to drawings.

Should "as soon as possible" (ASAP) delivery be requested, it is to be understood that shipment will occur anytime between order placement and the estimated shipment date. Do not request this service unless you are ready to accept delivery at the time of order placement.

Returns and back charges: Nothing may be returned to Efficient Storage Solutions without a Returned Goods Authorization (RGA). Unauthorized returns will be refused. No "back charges" will be honored without the written consent of an Officer of Efficient Storage Solutions, obtained prior to the occurrence of expenses. Only in cases where Efficient Storage Solutions has been given a timely opportunity to consider alternative resolutions will any consideration be given to back charges. Requests for back-charges will not be considered more than 30 days after delivery.

It is the User's responsibility to verify the proper setup, fit and function of the first assembled bay of racking. The user must immediately notify Efficient Storage Solutions of any need to change the setup at this time, prior to the assembly of the remainder of the project. Any costs to adjust the racking after the setup of the first bay will be the sole responsibility of the User.

Drawings: All drawing and designs provided to the Buyer by Efficient Storage Solutions in connection with this project are and shall remain the exclusive property of Efficient Storage Solutions, and may not be duplicated or distributed to third parties, or used in any manner (including manufacturing), without the express written consent of an Officer of Efficient Storage Solutions. "Drawings" and "Designs" are inclusive of all formats, including paper, sepia, and electronic. Designs provided by Efficient Storage Solutions are provided solely as a courtesy pursuant to the sale of materials, and ownership is not transferred. All rights, including copyright and trademark, shall remain with Efficient Storage Solutions. When requested, and solely in conjunction with the sale of materials, Efficient Storage Solutions will provide three sets of paper drawings. Duplicate sets of drawings on paper may be obtained at additional cost to the Buyer.

Design of Storage Racks: The preceding proposal is based upon the existence of an engineered slab-on-grade and sub-grade that [a] have been designed by a licensed (third-party) Professional Engineer to have

sufficient properties to support the loads and forces exerted by this storage rack system and [b] have been placed per the minimum requirements as set forth in the local building code. If an engineer-of-record cannot be determined for a particular slab or if the slab is insufficient for the use with this storage rack system, the base plates and/or anchors may need to be changed, and on-site testing of the slab, sub-grade, and anchors may be required, all at additional cost to the Buyer.

Shims: When shims are provided, it is as a courtesy and not based upon a calculation of the number of shims necessary for installation on specific floors. The Buyer is responsible for ordering a sufficient quantity of shims for their particular situation.

Risk of Loss: F.O.B. Factory terms apply, unless otherwise noted on our proposal. Risk of loss of equipment purchased under this Agreement passes to the Buyer as of the time of invoicing, shipment, or the time of delivery (only in cases where Efficient Storage Solutions prepays the freight).

Freight Billing: Unless otherwise indicated on Efficient Storage Solutions' proposal, the product will be shipped "freight collect" to the end user (end user will be invoiced for freight charges at Net 7 days, billed by carrier). Where applicable, and by request, freight may be billed "third party" (carrier bills the distributor). "Prepaid & Add" freight charges subject to a 10% surcharge to the freight costs only. When billed "Prepaid and Add" there will be no credit extended for reduction in shipping costs.

Quoted freight rates do not include any applicable local, county, state, or federal taxes. Applicable taxes may be added to the quoted freight amount at the time of invoicing. Estimated freight charges are based upon credit approved by the carrier. Buyer is responsible for all fuel surcharges invoiced by the carrier at the time of shipment. Unless specifically stated to the contrary, freight estimates do not include the additional cost associated with shipping in erectable shipments (additional loads). Shipments via inter-modal service may also increase the number of loads.

Freight Claims: It is the receiving party's responsibility to verify quantities and condition of goods received. Claims for "shortages" will not be honored by Efficient Storage Solutions unless we have been notified within 48 hours of receipt. All claims for damages or shortages must be filed with the carrier. New purchase orders will need to be placed for replacement items. In cases where there is damage to components, or shortages, note the specifics on the Bill of Lading; however the shipment should be accepted. Hidden damage may be reported to the carrier within 10 days of receipt.

Customer Pick-Up's and Customer-Designated Carriers: Shipment via customer-specified carrier is permitted only with prior approval of Efficient Storage Solutions Traffic Management personnel. When approved, you will be notified 48 hours prior to availability of the product. Should the customer-designated truck fail to arrive at the designated loading time, the product will be rerouted on a carrier of Efficient Storage Solution's choice, freight charges collect. In case of multi-load shipments, each load must be picked up on schedule.

Delay in acceptance of shipment: If it is desired to make a change to the previously agreed upon delivery schedule. Efficient Storage Solutions will attempt to accommodate the request without cost to the user. In the event that the ordered product(s) require storage due to job site delays, and the notice of delays fall within eight weeks of the agreed upon delivery date, the customer agrees to pay reasonable storage and handling charges. Any such costs will be estimated and presented to the customer for approval. Efficient Storage Solutions does not guarantee the availability of inside storage. The responsibility for the quality of the paint finish on product stored outdoors, and any dust on product stored indoors, lies entirely with the customer. The product will be invoiced on the date on which the shipment was previously scheduled, and the customer agrees to pay the invoice within 30 days of the invoice date, regardless of the date the product actually ships or delivers.

Changes to orders: If it is desired to make a change to an order, Efficient Storage Solutions will attempt to accommodate the request without cost to the user. If, however, materials have been ordered and/or

fabricated for the specific project in question, or require extensive additional engineering time, or require additional shipping costs, the costs of the change will be calculated and presented to the end user for approval, prior to initiating the change. Buyer accepts responsibility for the costs of such changes. Changes cannot be made within fifteen business days of the scheduled delivery date. Changes increasing quantities or adding items to the order are to be entered as separate orders subject to the then current lead time and discounting as a stand-alone project.

Cancellations prior to shipment: The Buyer understands that upon receipt of the Buyers Purchase Order, Efficient Storage Solutions will make commitments for materials, labor, and services in connection with the Buyers project. Should Buyer decide to cancel an order prior to shipment, the Buyer agrees to compensate Efficient Storage Solutions for all actual costs incurred on the Buyer's behalf. In addition, Buyer agrees to pay a minimum Cancellation Fee, based upon the following schedule:

Order Size	Minimum Cancellation Fee
\$0 - \$19,999	15% or \$250, whichever is greater
\$20,000 - \$249,999	13%
\$250,000 - \$499,999	11%
\$500,000+	10%

Paint: Price includes 1 coat of enamel finish. On pallet rack projects, if no color is listed on the purchase order, roll formed upright frames will be painted green and roll formed beams will be painted orange. Unless noted on purchase order, tructural uprights will be painted blue and structural beams will be painted orange. Eight other non-standard stock colors are also available; contact the factory for information on any applicable additional charges and extended lead times. Custom colors may also be available at extra cost and extended lead-time.

Disclaimers: This proposal is based upon our understanding of your requirement, and is subject to correction, including but not limited to mathematical and clerical errors. Quoted prices shall be valid for 21 days from the date of the quote and for ship dates within 60 days from the date of the quote; however they may be extended at Efficient Storage Solutions' option. Efficient Storage Solutions will not be liable for damages resulting from forces beyond our control, including, but not limited to strikes, weather, acts of God, acts of war or civil disobedience, accidents, unforeseen changes in costs, or compliance with governmental requests, laws, regulations, etc. Efficient Storage Solutions specifically disclaims any liability for any and all consequential damages. In cases of products designed and manufactured to customer specifications, all liability for patent infringement becomes the responsibility of the customer. Any disputes regarding contracts, purchase orders, etc., will be governed by the laws of the State of Texas.