



**SEQUATCHIE CONCRETE SERVICE, INC.
STANDARD TERMS AND CONDITIONS OF SALE**

NOTWITHSTANDING ANY PROVISIONS OF ANY INSTRUCTIONS TO BIDDERS, BID, PROPOSAL, ACCEPTANCE OF BID, CONTRACT DOCUMENTS, PURCHASE ORDER, MASTER SERVICES AGREEMENT, SUBCONTRACT OR OTHER RELATED DOCUMENT TO THE CONTRARY, THE FOLLOWING TERMS AND CONDITIONS ARE ACCEPTED BY CUSTOMER BY REFERENCE. IN THE EVENT OF A CONFLICT BETWEEN THE STANDARD TERMS AND CONDITIONS OF SALE HEREINBELOW WITH ANY SUCH DOCUMENT, THESE TERMS AND CONDITIONS SHALL CONTROL UNLESS EXPRESSLY AGREED IN WRITING BY SEQUATCHIE CONCRETE SERVICE, INC. ANY ALTERATION OF THIS DOCUMENT THAT ALTERS, AMENDS OR VARIES THESE STANDARD TERMS AND CONDITIONS IS HEREBY REJECTED.

1. DEFINITIONS. "Supplier" or "SCS" shall mean Sequatchie Concrete Service, Inc. together with its subsidiaries and other related entities. "Purchaser" or "Customer" shall mean the person or entity purchasing materials from SCS. "Order" shall mean any subcontract, work order, purchase order or other type of order issued by Purchaser to SCS or any of its subsidiaries.

2. LIMITATION OF PRODUCTION OR DELIVERIES/RIGHT TO REJECT. Unless otherwise specifically stated in writing, quotations are only valid for a period of thirty (30) calendar days. Unless otherwise specifically stated in writing, SCS's obligation to produce and/or deliver ready-mixed concrete, masonry units, precast concrete products, sand or other products sold by SCS is limited to production or delivery on the project specified for a period of six (6) months from the date of quotation. SCS may refuse to commence or continue production or delivery at prices quoted on projects not started within a reasonable time or on projects not continuously prosecuted after the commencement of production or delivery. Notwithstanding anything contained herein to the contrary, SCS specifically reserves the right to reject any order in its sole and absolute discretion.

3. TERMS AND PAYMENT. Unless Customer has been approved for credit terms with SCS, payment for materials ordered shall be made in advance of delivery. If Customer has been approved for credit with SCS then terms and payment are subject to Customer's credit agreement with SCS, the terms of which are incorporated herein by reference. All other terms, including any terms contained in Buyer's purchase order or other submitted agreement, which are inconsistent with these Standard Terms and Conditions of Sale are expressly excluded. Any special terms of payment on approved credit and any discounts, if offered by SCS, are only as expressly stated by SCS in advance in writing. All credit account invoices are to be paid on a Net thirty (30) day basis with a one percent (1%) tenth (10th) day prompt pay discount from date of invoice. All invoices become past due on the thirty-first (31st) day from issuance of invoice. Any discounts offered will be allowed only if Customer owes SCS no past due account on any product previously sold to Customer by SCS, and discounts will not be allowed unless earned and paid strictly in accordance with the terms stated on the face of the invoice and Customer's credit agreement with SCS. SCS reserves the right to refuse to deliver or discontinue deliveries without penalty or liability to any Customer with unsatisfactory credit history, whose financial status becomes impaired or deemed unsatisfactory to SCS or to any Customer with a past due account, and to make any discounts applicable only for cash payment upon delivery. Payments received by SCS from Customer will be applied in order beginning with the oldest outstanding invoices on account. Any provision providing that progress payments and/or final payments to SCS shall be conditioned upon or shall depend upon receipt by Customer of payment from another (including, without limitation, a general contractor or an owner) for products supplied by SCS, or is limited to such payments, shall not apply unless the failure or refusal of such third party to pay Customer for such work is the result of a default or deficiency by SCS which is acknowledged in writing by SCS. All accounts shall be payable in South Pittsburg, Marion County, Tennessee. Any past due account shall bear interest up to the maximum legal rate allowed by law. In addition to any other available rights and remedies, SCS will be entitled to recover from Customer all costs of collection and litigation including, but not limited to, reasonable attorney fees. Customer consents to SCS calling any phone number, including cell phones, via any form of calling device and/or automatic dialing services, for marketing and/or collections.

4. TAXES. Any sales, processing or similar tax imposed by any governmental authority which is now or hereafter becomes applicable to deliveries by SCS shall be paid by Customer unless otherwise provided by law in addition to the prices specified.

5. DELIVERIES. Unless otherwise provided by SCS in writing, prices quoted are F.O.B. job site during SCS's regular delivery hours. Regular delivery hours for SCS plants are as posted on SCS's website at www.segconcrete.com as the same may be modified from time to time by SCS. An additional charge may be added for deliveries outside of these regular delivery hours and for any waiting/unloading periods in excess of sixty (60) minutes. Prices are based on minimum load requirements as established from time to time by SCS and an additional charge will apply to short loads less than such minimums. For residential projects, Customer should give SCS at least forty-eight (48) hours prior notice of the time and rate of requested deliveries. For commercial projects, Customer shall provide SCS with a planned project schedule once per week, preferably with a three (3) week outlook; however, at least a one week outlook is required. Provided schedules should be complete with dates and estimated daily quantities. SCS will use this information to order material and schedule production resources accordingly. SCS reserves the right to bill Customer for expenses incurred due to lack of updated daily schedule. Delivery schedules will be mutually agreed upon between SCS and Customer. Agreed upon deliveries will be made to the best of SCS's ability to dispatch, however, Customer waives any claims associated with any delays in delivery. SCS will not be expected to hold trucks and equipment available for deliveries to Customer, and will not, without reimbursement, hold plants open and equipment available for production for which adequate and reasonable notice has not been given and agreed to in advance in writing by SCS. Additionally, SCS will not honor back charges for delays in production and/or delivery due to inadequate notice by Customer or due to underestimation of quantities. Customer agrees that SCS will comply with all current Federal Motor Carrier Safety Administration (FMCSA) regulations in regards to the operation of material delivery vehicles, which may place limitations on the hours available to produce and/or deliver concrete. To the extent not otherwise provided in any quote provided by SCS to Customer and in addition to any special delivery charges provided hereinabove, SCS reserves the right to charge: (i) a fuel surcharge associated generally with increases in SCS's fuel costs; (ii) an environmental surcharge associated generally with increases in SCS's costs to comply with environmental regulations; (iii) a winter/seasonal surcharge for additional expenses associated generally with increased operational expenses during winter months; (iv) a returned concrete surcharge in the amount of SCS's estimated costs to clean up, dispose of and haul away returned concrete; (v) a cancellation surcharge if Customer cancels a scheduling delivery without providing advance notice prior to the loading of the trucks; (vi) a premium delivery surcharge for partial loads in the event of highway or road restrictions; and (vii) a pallet charge of Twelve Dollars (\$12.00) per wooden pallet used to deliver masonry units, precast concrete products or other products required to be delivered on a wooden pallet.

6. ACCESS. Customer is responsible to provide SCS with safe, suitable and reasonable access (as determined by SCS in its sole and absolute discretion) for SCS's delivery truck(s) to deliver products purchased from SCS for delivery points beyond paved streets. SCS specifically reserves the right to stop deliveries until Customer provides such access. For delivery beyond curb lines, Customer assumes all liability for damage to vehicles, sidewalks, driveways, pipes, septic tanks, and/or other property, and Customer will indemnify and hold SCS harmless from and against any and all liability, loss and expense incurred of any kind or of any nature whatsoever as a result of such delivery, including, but not limited to, towing charges, except to the extent caused by SCS's gross negligence or willful misconduct. Customer waives any right of subrogation against SCS. Customer is responsible for full payment of, including all costs of disposal, SCS's return charge per truck for products not deliverable due to unsuitable access. Additionally, for deliveries of ready-mixed concrete, Customer must provide an appropriate location and facility (in compliance with applicable law) for SCS to washout the truck's chutes and drum after discharging ready-mixed concrete.

7. QUALITY AND TESTING/LIMITED WARRANTY. Customer is solely responsible for determining the type, design and quantity of goods to be purchased. Ready-mixed concrete prices and quantities are based upon the wet volume at the time of discharge from the truck, and are not sold "form measurement" or measured "in place." Yield will be established in strict accordance with applicable ASTM standards and Customer will pay all charges incident to inspection or tests made by or on behalf of Customer. Customer is further responsible to see that the ready-mixed concrete and/or masonry units delivered by SCS are handled in accordance with best construction practices. SCS has no control over the placing or handling of ready-mixed concrete or masonry units after unloading and does not guarantee the finished work in

which they are used. Unless specifically provided otherwise, ready-mixed concrete mix designs typically utilize fly ash as well as limestone, coarse and fine aggregates. Subject to any limitations otherwise expressed herein, SCS warrants only (i) that any ready-mixed concrete delivered to Customer shall be batched and delivered in accordance with ASTM specification C-94, or appropriate DOT Standard Specifications for Construction of Highways, Streets, and Bridges, and (ii) that any masonry units delivered to Customer conform to applicable ASTM C-90 specifications and industry standards. [Where quantity of Portland cement is specified, SCS warrants that concrete delivered will contain the specified quantity and type of materials specified within accepted tolerances for ready-mixed concrete or concrete block. Where strength of concrete or block is specified, SCS warrants that the concrete or block furnished will meet the strength specified in accordance with the provisions of ASTM specification C-94 or C-90, as applicable. All strengths shall be determined in pounds per square inch as shown by compressive tests at 28 days when cured, capped and tested. All concrete produced for use on DOT projects shall be governed by the latest appropriate DOT specifications for the class of concrete ordered by Customer and tested using applicable DOT test methods.] Concrete temperature will be dictated by the environmental and material conditions at the time of delivery. Any requirement beyond these conditions will require the implementation of controlled measures during production, including, but not limited to the use of admixtures, hot water or ice, each at the additional expense of Customer. Customer is responsible for the requirements of ACI 305R and 306R, except as they pertain to production. Customer understands and agrees that temperature control measures may limit overall production rates. Slump is governed by either the maximum specified or designed water/cement ratio or by the maximum slump specified, provided maximum slump specified does not exceed the designed water/cement ratio. The addition of any water or other material to the mix by Customer or on Customer's orders or request on the job site or prior to delivery shall expressly relieve SCS of any responsibility as to the quality, slump or strength of concrete delivered. With regard to pumped concrete, the various boom configurations, length of hose, line reductions, conditions of various pump equipment and free fall distance are beyond SCS's control. SCS will deliver concrete within project specifications, but cannot be responsible for the loss of air content or any costs associated with either rejected fresh concrete or the removal and replacement of hardened concrete due to non-compliant air content after transport through post-delivery concrete placement equipment. Customer is responsible to prevent unloaded ready-mixed concrete from coming into contact with any material, such as aluminum, which may adversely impact concrete strength. SCS MAKES NO OTHER WARRANTY OF ANY KIND OR OF ANY NATURE, EITHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR OF FUTURE PERFORMANCE. SCS's maximum obligation under this limited warranty shall be limited only to replacement or allowance of credit for any nonconforming (including defective) products. Accordingly, Customer expressly agrees that SCS shall have no liability for loss or damage in excess of the price received for nonconforming or defective ready-mix concrete, concrete block or other concrete products delivered to Customer or for losses or damages of any nature incurred or suffered by Customer or any other person or entity in repairing or replacing or occasioned by such nonconforming or defective products. THE REMEDY SET FORTH IN THIS SECTION 7 WILL CONSTITUTE THE SOLE REMEDY OF CUSTOMER UNDER THIS LIMITED WARRANTY and Customer expressly releases SCS from any liability for any amounts in excess of the replacement of any such nonconforming (including defective) materials. Customer must give SCS written notice within forty-eight (48) hours after delivery of any claim against SCS as a result of any alleged nonconforming materials or any other cause whatsoever (other than failure to meet compressive strength, in which event the time for notice will be within forty-eight (48) hours after the specified test age of the test cylinder in accordance with ASTM standards), time being of the essence. SCS will be given reasonable opportunity to investigate all claims. Any failure by Customer to give written notice within such forty-eight (48) hour period will be deemed a conclusive waiver by Customer of all such claims against SCS.

8. WEIGHTS. SCS's weights on its certified scales, at the time of shipment, shall govern as the weights of all material supplied by SCS.

9. RETURNS. SCS does not accept returns of manufactured products unless such returns are approved in advance in writing by SCS. SCS reserves the right to charge a pick-up fee and/or restocking fee for any such allowed returns. For deliveries of masonry units or other precast concrete products delivered on wooden pallets, any undamaged and reusable wooden pallets may be returned by Customer to SCS at Customer's expense for Ten Dollars (\$10.00) credit per wooden pallet returned.

10. SPECIAL ORDERS. All special orders are non-cancellable, non-returnable and non-refundable. Special orders must have a signed form from the Customer agreeing to any additional terms and conditions of the special order prior to production.

11. DELAYS. SCS shall have no liability whatsoever to Customer or to any other person for delays in deliveries or orders accepted hereunder resulting from fire, casualties, calamities, strikes or other labor disputes, war, insurrection, interruption or shortage of utility service or materials, acts or regulations of any governmental body or agency, or resulting from conditions or events beyond the reasonable control of SCS. Should SCS experience any delays or shortages of transportation or materials, SCS shall be permitted to allocate deliveries among its customers.

12. PLANS AND SPECIFICATIONS. SCS shall not be responsible for compliance with any drawings, plans or specifications in connection with the project(s), nor shall SCS be charged with notice of the contents of such documents. SCS is not responsible for Contractor's selection of the grade of material supplied and assumes no design responsibility regarding the project by virtue of supplying materials to Customer.

13. LIMITATIONS ON INDEMNITY. SCS's indemnity obligation shall be limited to claims for personal injuries, death or property damage (including the loss of use thereof) actually caused by SCS. SCS does not and shall not indemnify any party or person for his/her/their own negligence or other fault. In the event that damage, loss, or expense is caused in part by: (1) SCS or any of its agents, employees, or subcontractors and (2) in part by others (including an indemnified party under this paragraph); SCS shall only be liable for the proportionate amount of damages, losses or expenses caused by any negligent act or omission of SCS or any of its agents, employees, or subcontractors.

14. TERMINATION OF PORTABLE PROJECT. In the event any purchase agreement between SCS and Customer requiring the location of a portable concrete plant for the project and such agreement is terminated by Customer, SCS shall be entitled to recover from Customer its reasonable costs to remove and relocate any portable concrete plant and to relocate any accumulated or stockpiled material, in addition to any other sums to which SCS may be entitled.

15. NO VERBAL AGREEMENTS. There are no verbal agreements or understandings between SCS and Customer which contradict the terms and conditions stated herein, unless such variation is provided in writing by SCS with specific reference to these Standard Terms and Conditions of Sale.

16. VENUE. Venue for any action between SCS and Customer shall lie in Marion County, Tennessee at the option of SCS and Customer expressly waives any objection to venue in such County.

17. LIEN RIGHTS. If the project is not a public works project, SCS does not waive its right to file a mechanic's lien, materialmen's lien, lien on retained funds or claim against a payment bond.

18. RETAINAGE. Customer will not withhold any percentage of progress payments (retainage) unless required by law.

19. GOVERNING LAW. These terms and conditions shall be interpreted and governed by the law of the State of Tennessee.

20. NO-WAIVER. Failure of SCS to exercise any of its rights under these Standard Terms and Condition of Sale will not be deemed a waiver of any such right; a waiver of any right or obligation hereunder will not constitute a continuing waiver. The unenforceability of any provision of these terms and conditions will not affect the enforceability of any other provisions of these terms and conditions, and each other provision of these terms and conditions will be severable and enforceable to the extent permitted by law.

**WARNING: CAUSES SKIN IRRITATION - INJURIOUS TO EYES.
CONTAINS PORTLAND CEMENT. FRESHLY MIXED CONCRETE
MAY CAUSE SKIN IRRITATION OR INJURY. AVOID CONTACT WITH
SKIN WHERE POSSIBLE. WASH EXPOSED AREAS PROMPTLY WITH
WATER. IF ANY MIXTURES GET INTO THE EYE, RINSE
IMMEDIATELY WITH WATER AND GET PROMPT MEDICAL
ATTENTION. KEEP OUT OF REACH OF CHILDREN.
SAFETY DATA SHEETS (SDS) ARE AVAILABLE AT
WWW.SEQCONCRETE.COM**