Quotation From: John Gramke



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To: Industrial Air Quality Attn: Ken Haga

Proposal #: 00728-0 Project: Fan Silencer Bid Date: 5/05/10 Per Cincinnati Fan dimensions Addenda Included: None

Silencer tag numbers: SA 1

<u>SA 1 SEMCO model ST6003 rectangular silencer.</u> Qty. of (1) silencer 19" wide x 30" high x 36" long.

Outer Shell: 22 ga. solid galvanized steel. Interior Liner: 24 ga. perforated galvanized steel. Insulation: Acoustic fiberglass fill. Includes black iron flange connections both inlet and outlet.

Price......\$362.00 Full included Weight - 94 lbs.

EXCLUSIONS: The following items, unless specifically included above, are not included in this quotation: Liner including but not limited to mylar, blank-off, unit assemblies, reinforcement, trapeze hangers, cross angles, flexible connectors, bellmouths, flange connections, structural stiffeners, weatherproofing special sealant, transitions, exterior insulation and wrappings.

Prices quoted are based on delivery of all material prior to 6/31/10. Prices for any material not released for shipment by buyer four weeks prior to 6/31/10 shall be subject to escalation. This quotation shall remain in effect for thirty days from date hereof; if no order is placed within that time, the quotation will be void. Payment terms are net (30) days from date of shipment. SEMCO's proposal, if accepted, is on the basis of shipping full truckload quantities on enclosed boxvan trailers.

John Gramke Industrial / OEM Manager SEMCO Duct & Acoustic Products

When signed by the buyer, this proposal shall function as a purchase order to SEMCO subject to all pricing terms and conditions contained herein. Any changes to this offer must be approved in writing by SEMCO.

| Accepted By | | _ Company Name |
|-------------------|--------|----------------------|
| Title | _ Date | P.O. or Reference No |
| Sections Accepted | | Total Price |

SEMCO Incorporated STANDARD TERMS, WARRANTY & CONDITIONS OF SALE for DUCT & FITTINGS, SOUND ABSORBERS & PANELS

- 1. Freight will be FOB place of manufacture. Full freight will be allowed to job site only if specifically so stated on the quotation. SEMCO shall have the right to select the mode of transportation and type of vehicle. BUYER shall provide sufficient personnel and equipment to unload vehicles promptly at destination. In case of delay in shipment by request or act of BUYER, a reasonable storage charge will be made and such storage will be at BUYER's risk. SEMCO shall attempt to establish its shipping schedule in accordance with BUYER'S requested delivery date. However, SEMCO shall not be liable for failure or delay in delivery due to shortages or unavailability of labor or materials, delays of carriers, strikes, including those by SEMCO's employees, civil or military authority, priority regulations, insurrection or riots, action of the elements, forces of nature, or any causes beyond its control.
- 2. SEMCO will invoice BUYER for each delivery made under this contract and BUYER shall pay SEMCO's invoices in full within thirty (30) days of the date of each such invoice. In no event shall BUYER withhold any portion of payment for any reason without SEMCO's express written approval in advance. If BUYER shall fail to make payments in accordance with the terms of this contract or any other contract between BUYER and SEMCO, or shall fail to comply with any other provision thereof, SEMCO may, at its option, defer further shipments or, without waiving any other rights it may have, terminate this Contract.
- 3. SEMCO warrants that the items furnished under this contract will conform to the drawings and other data prepared and submitted by SEMCO and will be free from defects in material and workmanship under normal use for a period of twelve (12) months from the date of shipment. In the event that any defects in material or workmanship are found within the warranty period, SEMCO's obligation under this warranty is limited to repair or replacement if items proven to have been defective at the time of delivery or allowance for credit therefore, at its option. BUYER shall give SEMCO immediate written notice of any alleged defects or shortages and SEMCO shall be given a reasonable opportunity to inspect alleged defects or investigate alleged shortages before corrective action is undertaken. This warranty does not extend to failures or damage due to improper installation, negligence of others, misuse or abuse, operation above rated capacities, or alterations by others. SEMCO does not warrant any design furnished by others nor the design or functioning of systems in which the items furnished under this Contract are installed.

THE REMEDY PROVIDED HEREIN IS THE SOLE AND EXCLUSIVE REMEDY OF THE BUYER FOR FAILURES OR DEFECTS IN THE ITEMS FURNISHED. THE WARRANTIES SET FORTH HEREIN ARE EXCLUSIVE AND ARE IN LIEU OF ALL OTHER WARRANTIES, WHETHER STATUTORY, EXPRESS, OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR PARTICULAR PURPOSE AND WARRANTIES ARISING FROM A COURSE OF DEALING OR USAGE OF TRADE.

- 4. No provision for Federal, State or Municipal Tax is included in the price stated in this Contract and such taxes, if any, will be paid by BUYER.
- 5. UNDER NO CIRCUMSTANCES, WHETHER ARISING IN CONTRACT, TORT (INCLUDING NEGLIGENCE), EQUITY, OR OTHERWISE, WILL SEMCO BE RESPONSIBLE FOR DAMAGES ARISING FROM LOSS OF USE, LOSS OF PROFIT, INCREASED OPERATING OR MAINTENANCE EXPENSES, CLAIMS OF BUYER'S CUSTOMERS, OR ANY SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES.
- 6. In the event BUYER shall terminate the Contract prior to completion, SEMCO shall cease work and transfer to BUYER title to all completed products and to any raw materials acquired by SEMCO for performance of the Contract. BUYER shall pay to SEMCO all costs incurred by SEMCO in performing and acquiring materials for the Contract, together with overhead of 15% AND PROFIT OF 10% on such costs, and any cancellation charges incurred by SEMCO in connection with commitments made hereunder. The provisions of this paragraph shall be without prejudice to the rights of either party for failure on the part of the other to comply with the provisions of the Contract.
- 7. Failure of either party to enforce any right created by this Contract shall not waive any rights in respect to other future occurrences.
- 8. This Contract shall be construed in accordance with the laws of the State of Missouri. Any disputes arising under this Contract, or the breach thereof, shall be arbitrated in accordance with the rules of the American Arbitration Association, and the situs of such arbitration shall be Columbia, Missouri. The decision of the arbitrator(s) shall be final and binding upon the parties and judgment upon any award rendered may be entered in any court of competent jurisdiction.
- 9. MATERIALS NOT INCLUDED (DUCT & FITTINGS): Unless specifically included herein, the following are not included in this Contract: Square and rectangular to round and/or oval transitions; tape and mastic; fire and other dampers; access sections; access doors; flexible duct and clamps; external insulation; low pressure duct; exhaust duct; return air duct; and any other products or materials and accessories not manufactured by SEMCO.
- 10 This contract shall constitute the entire understanding between the parties and shall not be amended or modified except in writing executed by both parties.