



Independence Tube Claims Policy

March 2010

It is the policy of Independence Tube Corporation (the “Company”) to consistently provide high quality structural steel tubing products to meet or exceed our customer’s needs. Although we want to fulfill the order right the first time, we want to make doing business with the Company as easy as possible. To that end, we have implemented a claims policy which delineates our procedures for resolving product quality claims in a timely and efficient manner.

1. GENERAL TERMS AND CONDITIONS

In general, Section 17 in ASTM A500, Section 20 in ASTM A 252 or Section 15 in ASTM A513 govern all claims. Specifically, the Company will replace, or provide a credit, as agreed to, for the purchase price of, products that are defective or do not conform with the agreed specifications. These will be your sole and exclusive remedies in the event that a product sold to you is defective or does not conform with the agreed specifications. The Company shall not be liable for any damages, including without limitation direct, indirect, special, incidental, consequential, punitive or other damages of any nature (including any labor, downtime, processing costs or repair expenses) arising out of the sale of its products, including without limitation defective or non-conforming products.

2. RESOLUTION OF CLAIMS

To assure fast and easy claim resolution, details of the claim should be forwarded to the Company’s Account Representative as soon as possible. The Company will not accept for investigation and resolution any claim where the conditions set forth in this Claims Policy have not been satisfied. **The following information must be provided in order for a claim to be considered:**

- a. Customer name.
- b. Description of material claimed to be defective or non-conforming.
- c. Company bundle tag number(s), sales order number(s) and purchase order number(s).

- d. Quantity of material, including weight and length.
- e. Description/evidence of claimed defect or non-conformity, including a representative sample of the material and/or a clear photograph of the claimed defect(s).
- f. If a claimed defect, location where the claimed defect is occurring (tube end, middle, next to weld, etc.).
- g. If a claimed defect, when during the lifecycle of the tubing was the defect noticed (upon receipt, before or after processing).
- h. Photographs, samples, test results or dimensional measurements illustrating the claimed defect.

3. ADDITIONAL TERMS AND CONDITIONS OF CLAIM RESOLUTION

- a. Claim must be submitted within one hundred and twenty (120) days from the date of receipt of the material. Rust claims must be submitted within seven (7) days of receipt of the material.
- b. Please refer to our Return Policy regarding the terms and conditions that must be satisfied prior to return of material. Material cannot be returned to any Company facility in the absence of compliance with the Company's Return Policy. Material received without compliance with the Company's Return Policy will be returned at the customer's expense.
- c. The Company must be given an opportunity to investigate the claim before disposal of the material. Any material claimed to be defective or non-conforming shall not be returned, repaired or discarded without written permission of the Company.

4. LIMITATIONS ON CLAIMS

- a. Please make note on the bills of lading if the material arrived wet, incorrectly tarped or damaged. Claims for these matters should be filed with the carrier immediately and are not the responsibility of the Company.
- b. Product that does not "bend" shall be deemed to be not defective and conforming unless type and degree of bending required is included in specifications submitted to the Company prior to production.

- c. Product that does not telescope or accept tube I.D. insertions shall be deemed to be not defective and conforming unless these qualities are included in specifications submitted to the Company prior to production.
- d. Surface imperfections such as handling marks, light die or roller marks, and weld splatter are not defects, do not render product non-conforming and are not valid reasons for rejection.
- e. The Company will not be responsible for any surface rust for material produced to order that has not shipped within 60 days of manufacture.
- f. Inside and Outside Sales Representatives may not authorize disposition of the material involved in a customer claim. If disposition is needed in an emergency, please contact your Company Sales Manager or the appropriate Company Division Manager.

THE COMPANY RESERVES THE RIGHT TO REJECT ANY CLAIM THAT DOES NOT COMPLY WITH THE REQUIREMENTS SET FORTH IN THIS CLAIMS POLICY