

**TERMS AND CONDITIONS OF SALE**  
**(Advanced Drainage Systems, Inc.)**

1. **PRICES:** Prices for Advanced Drainage Systems, Inc. ("Seller") products as quoted by Seller will be made available for Buyer's acceptance for thirty (30) days from the quotation date and are thereafter subject to change or withdrawal. Seller reserves the right to change any pricing terms when the quantities change by more than ten percent (10%).

2. **PAYMENT:** Unless otherwise agreed to by Seller, invoices issued by Seller shall be paid by Buyer within thirty (30) days of the date of the invoice. Time for payment shall be of the essence. Payment may be made by cash, check, or credit card. (Call (888) 524-7373 to pay by credit card.)

3. **SERVICE CHARGE AND COLLECTION:** A one percent (1%) per month (a rate of twelve percent (12%) per annum) service charge will be due and billed on past due amounts. Buyer shall be responsible for paying any costs associated with any collection effort, including, but not limited to, reasonable attorney fees as permitted by state law.

4. **SET-OFF PROHIBITED:** Buyer shall not apply any deduction, whether by way of set-off, counterclaim, discount, or otherwise, to the price of Seller's products or to any payment owed to Seller. Seller is entitled to payment in full for goods shipped.

5. **CREDIT APPROVAL:** All sales and shipments are subject at all times to credit approval by Seller.

6. **TAXES:** Buyer shall be responsible for payment of all taxes associated with the sale, delivery, storage, processing, use, or consumption of any of the products covered hereby.

7. **PERMISSIBLE VARIATIONS:** Variations in the products as to components, dimensions, quantity, and the like shall be permissible and shall not constitute cause for Buyer's rejection of any variations that fall within the applicable ASTM and/or AASHTO product specifications in effect at the time of manufacture.

8. **INSPECTION AND REJECTIONS:** Any claim by Buyer based upon delivery of products that are of incorrect size, type, or quantity, or that have been damaged in shipment, ascertainable upon visual inspection thereof, must be presented to Seller or its representative within fifteen (15) days following date of receipt of such nonconforming or damaged products by Buyer. In the absence of any such claim within fifteen (15) days, Buyer's receipt of any products delivered hereunder shall be an unqualified acceptance and a waiver by Buyer of any and all claims related to incorrect size, type, or quantities or related to shipment damage. No claim of any kind, whether as to products delivered or for nondelivery of products, and whether or not based on negligence or other tort, shall be greater in amount than the purchase price of the products in respect of which such claim is made.

9. **STATEMENT OF LIMITED WARRANTY:**

a) Limited Warranty. Subject to the limitations and exclusions set forth below, Seller warrants that the products to be delivered hereunder shall be free from defects in

materials and workmanship in normal use and service. This warranty is applicable only to Buyer and there are no other intended beneficiaries of this warranty.

b) Warranty Limitations and Exclusions.

(i) For the warranty to apply, the products must be installed in accordance with all site conditions required by state and local codes, applicable product or industry specifications and guidelines, and manufacturer's installation recommendations and in accordance with all applicable laws. Specifically excluded from the warranty are damages to the products arising from ordinary wear and tear, alteration or repair by anyone other than Seller, accident, misuse, abuse, or neglect, or arising from any other event not caused by Seller.

(ii) Seller's obligation under this warranty shall not include any transportation charges or costs of installation.

(iii) Except as specified above, no other express warranty is given and no affirmation on Seller's part or on the part of Seller's representatives or agents, by word or act, shall constitute a warranty or otherwise alter, vary, or expand the express warranty set forth above.

(iv) IN NO EVENT SHALL SELLER BE LIABLE FOR SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES OF BUYER OR ANY THIRD PARTY, including loss of production and profits, labor and materials, overhead costs, or other loss or expenses incurred by Buyer or any third party.

(v) TO THE EXTENT ALLOWED BY LAW, THE WARRANTY SET FORTH HEREIN IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES WITH RESPECT TO THE PRODUCTS (WHETHER EXPRESS, IMPLIED, OR STATUTORY), INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

c) Claims; Remedies. All claims made under this warranty shall be presented to Seller in writing at Seller's corporate headquarters, 4640 Trueman Boulevard, Hilliard, Ohio 43026, within sixty (60) days after Buyer's discovery of defects in the products for which such claim is made. Any claim under this warranty that is not so presented to Seller in writing within sixty (60) days after discovery shall be deemed unconditionally waived. Seller agrees to replace (or, in Seller's sole discretion, repair) those products determined by Seller to be defective and covered by this warranty. The supply of replacement products (or the repair of products, as the case may be) is the sole remedy of Buyer for breaches of this warranty. Seller's liability specifically excludes the cost of removal of the replaced products and/or installation of the replacement products.

d) Warranty Terms Online. The terms of this Limited Warranty also may be found at: <http://www.ads-pipe.com/en/warranty.asp>.

10. **EXCUSED PERFORMANCE – FORCE MAJEURE:** Seller shall not be held responsible for any delay in performance under these Terms and Conditions of Sale resulting in whole or in part from or made impossible or impracticable by any cause beyond the control of Seller, including, but not limited to, terrorism, natural disaster, war, fire, explosion, accident, breakdown, strike, adverse weather conditions, failure or refusal of any carrier to transport materials, delay in transport thereof, inability to obtain, on terms deemed by Seller to be commercially practicable, any raw material or other needed resources (including energy), failure of any transportation media, sale or transfer of manufacturing facilities, embargo or any act of God or action or request of any governmental authority, failure or refusal of any carrier or contractor, or any other contingency or delay or failure or cause beyond Seller's control.

11. **HANDLING AND USE OF PRODUCTS:** Even if Seller offers directions, recommendations, or suggestions for the use of products delivered hereunder, it is solely Buyer's responsibility to determine whether products are suited for Buyer's specific needs, and there are no representations or warranties except as set forth herein. Buyer assumes full responsibility for compliance with all governmental laws, rules, and regulations governing, and assumes all risks and liabilities arising from, unloading, discharge, storage, handling, installation, and use of Seller's products, including use of Seller's products as part of or in connection with other equipment or materials. Buyer agrees to indemnify Seller, its agents, and employees for any and all claims, liabilities, and expenses (including, but not limited to, reasonable attorney fees) arising out of or caused by the failure to comply with the terms set forth herein or to follow instructions, warnings, or recommendations furnished by Seller in connection with any products delivered hereunder.

12. **BUYER COMPLIANCE WITH LAWS:** Buyer warrants and represents that it is and will continue to be in compliance with all laws (including without limitation (a) all applicable rules, regulations, codes, plans, injunctions, judgments, orders, decrees, and rulings, (b) the U.S. Foreign Corrupt Practices Act and all other applicable laws prohibiting bribery and other corrupt practices, and (c) antitrust laws, and all other competition laws) of federal, state, local, and foreign governments (and all agencies thereof). Buyer agrees to indemnify Seller for any and all losses incurred by Seller (including, but not limited to, reasonable attorney fees) for Buyer's breach of this paragraph.

13. **LIMITATION OF ACTIONS:** No action arising out of these Terms and Conditions of Sale shall be brought by Buyer against Seller more than one (1) year after the accrual of the cause of action therefor.

14. **CHOICE OF LAW; VENUE:** These Terms and Conditions of Sale and the transactions contemplated hereby shall be governed in all respects by the laws of the State of Ohio, without reference to its choice of law principles. The parties consent to the exclusive jurisdiction and venue of the federal or state courts of proper subject matter jurisdiction located in the City of Columbus, Franklin County, Ohio, U.S.A. for all purposes related to these Terms and Conditions of Sale.

15. **RETURNS; RESTOCKING CHARGES:** Seller reserves the right to reject the return of any products returned by Buyer pursuant to these Terms and Conditions of Sale. All returned products must be in resalable condition, undamaged, and in standard inventory packages and/or coils (no partial coils, pieces, etc. will be accepted for credit). Products accepted for

return by Seller are subject to a restocking charge, including any applicable freight/shipping charges, based upon the price in effect at the time of original sale. Special order items cannot be returned.

16. NO OTHER TERMS: ANY TERMS OR CONDITIONS ON BUYER'S PRINTED FORMS OR ANY OTHER DOCUMENT OF BUYER SHALL NOT APPLY. ACCEPTANCE OF ANY GOODS SHIPPED WILL CONFIRM BUYER'S ASSENT TO THESE TERMS AND CONDITIONS OF SALE EXCLUSIVELY WITHOUT MODIFICATION.

17. BUYER ACCEPTS ALL TERMS AND CONDITIONS HEREOF, NONE OF WHICH MAY BE CHANGED BY BUYER. ACCEPTANCE OF ANY SHIPMENT BY BUYER IS AN ACCEPTANCE OF THESE TERMS AND CONDITIONS OF SALE, NOTWITHSTANDING ANY ACT OF SELLER, INCLUDING SHIPMENT OR ACCEPTANCE OF PAYMENTS, AND NOTWITHSTANDING ANY TERMS OR CONDITIONS CONTAINED IN ANY ACKNOWLEDGMENT OR OTHER DOCUMENT OF BUYER.

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