

Thomas Steel Strip Corporation  
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## THOMAS STEEL STRIP CORP.

### SALES TERMS AND CONDITIONS

#### A. Acknowledgment / Effect of Additional Terms

1. For any purchase order issued by the party identified as buyer or similar term ("**Buyer**") (each, a "**Purchase Order**" and collectively the "**Purchase Orders**") accepted by Thomas Steel Strip Corporation ("**Seller**") in an order confirmation, release, or scheduling agreement issued by Seller, or accepted by performance by Seller (each, an "**Order Confirmation**" and collectively the "**Order Confirmations**"), the Order Confirmation incorporates, and is made expressly subject to, the terms and conditions contained herein (the "**Terms**"), and any of Buyer's terms and conditions in addition to or different from those contained herein, whether contained in the Purchase Order or other business form of or communication by Buyer, are hereby rejected by Seller and shall be of no effect. These Terms and the product, unit price, volume, and specifications set forth in the Purchase Order and accepted by an Order Confirmation comprise the entire agreement between the parties, and supersede all prior or contemporaneous understandings, agreements, negotiations, past practices, representations and warranties, and other communications, both written and oral. These Terms supersede any of Buyer's general terms and conditions of purchase regardless of whether or when Buyer has submitted its Purchase Order or such terms. Acceptance of the Order Confirmation by Buyer (which shall be deemed accepted should Buyer not object in writing within two business days of receipt of the Order Confirmation) is a prerequisite to the purchase of the products and shall operate as an acceptance of these Terms which are expressly incorporated into the Order Confirmation. These Terms may only be waived, altered or modified by a written agreement signed by an officer of Seller.
2. If the Purchase Order is an open purchase order, each release or take down by Buyer shall constitute a separate "**Purchase Order**" for purposes of these Terms.

#### B. Prices, Taxes, Transportation and other Charges

All prices, whether herein specified or heretofore quoted or proposed, may be adjusted to Seller's prices in effect at time of shipment. Prices are exclusive of transportation, insurance costs, and related charges and are exclusive of all taxes under existing or future law with respect to sale, purchase, storage, manufacture, use, consumption, transportation, occupation or otherwise. All of the foregoing are for the account of Buyer which shall promptly pay the same. Buyer warrants that

the prices are not subject to renegotiation under applicable law or order of governmental authority, unless Seller is informed by Buyer to the contrary in writing with appropriate government contract numbers and information. The prices include standard packaging.

### **C. Payment Terms**

1. Payment terms are as shown on the Order Confirmation, effective from the date of invoice. If not otherwise specified in the Order Confirmation, payment terms are net thirty (30) days from the date of invoice and amounts are payable in U.S. dollars. Discounts do not apply to transportation or related charges. Overdue accounts shall bear interest from due date at the prime commercial lending rate quoted in the Wall Street Journal plus one percentage point, or at eight percent per annum, whichever is higher. If in Seller's opinion the financial condition of Buyer at any time may make payment on these terms uncertain, Seller can require full or partial payment in advance and may discontinue production or shipment, or both, and exercise the remedies set forth below.
2. In the event of the terms of payment not being met, or circumstances becoming known at a later date that lessen Buyer's creditworthiness, all our claims shall be payable immediately upon demand by Seller – irrespective of their maturity.
3. Buyer may only use undisputed or judicially determined claims for offsetting purposes. Buyer shall only be entitled to a right of set off insofar as such rights are based on the same contract.

### **D. Tariffs and Quotas**

1. If the United States government or any other governmental body (a) imposes additional tariffs, taxes, duties or fees on products or inputs used to produce the products (a "**Tariff**") or (b) revokes or refuses an extension of a currently existing exemption from an applicable Tariff, Seller shall have the option to increase the prices with respect to the actual Tariff amount (including any amount necessary to satisfy applicable value-add pricing requirements), provided that Seller provides 5 days' prior written notice to Buyer of the increased price as a result of the Tariff and the value add surcharge.
2. If any action of the United States government or any other government results in prohibitions or restrictions on the importation of the products or any inputs used in the manufacturing of the products into the customs territory of the United States, including quotas, tariff rate quotas, voluntary export restraints, or any other government measures ("**Quotas**"), whether or not administered by a governmental entity, Seller shall be excused in its performance to the extent that Quotas prevent or inhibit performance of its obligations.

### **E. Manufacture, Permissible Variations, Standards and Tolerances, Packaging**

Products shipped shall be within Seller's normal limits and sizes, shall be produced in accordance with the ASTM specification as applicable, and shall be subject to Seller's standard tolerances and variations in respect to weight, dimensions, straightness, section, workability, composition, mechanical properties, and surface

and internal conditions and quality. Information regarding such standard tolerances and variations is available upon request. Product variations and tolerances shall be determined by Seller's standard inspection and testing methods and subject to regular mill practices on over and under shipments.

#### **F. Warranty/Liability**

1. Seller warrants to Buyer that the products (a) will materially conform to the specifications set forth in or accepted by the Order Confirmation or, if not so specified, then in Seller's published specifications in effect as of the date of manufacture and (b) shall be free from material defects in material and workmanship. The foregoing warranty is subject to variances and tolerances as described in Part E.
2. **THE WARRANTY IN PART F.1 IS EXPRESSLY MADE IN LIEU OF ANY AND ALL OTHER WARRANTIES EXPRESS OR IMPLIED INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE AND AGAINST INFRINGEMENT. THIS DISCLAIMER OF WARRANTIES ALSO APPLIES SPECIFICALLY TO ADVICE OR STATEMENTS OF SELLER'S TECHNICAL STAFF, WHICH ARE NOT IN ANY WAY WARRANTED.**
3. Seller shall have the right to inspect (at Buyer's site or upon return to Seller as set forth below) any products for which a warranty claim is timely made under Part F.4. If Seller's inspection and testing reveals, to Seller's satisfaction, that such products do not conform to the warranty in Part F.1 ("**Nonconforming Products**"), then, in Seller's sole discretion and at its expense, either (i) the Nonconforming Products shall be replaced with conforming Products, or (ii) Seller shall credit or refund the price of such Nonconforming Products less any applicable discounts, rebates, or credits. Buyer shall not return any products unless authorized by Seller in writing. Any such return will be at Seller's expense. If Seller exercises its option to replace, Seller shall ship to Buyer the replacement products in accordance with these Terms. Buyer has no right to return for repair, replacement, credit, or refund any products except as set forth in this Part F.3. Buyer acknowledges and agrees that the remedies set forth in this Part F.3 are Buyer's exclusive remedies for Nonconforming Products.
4. In order for this warranty remedy to be effective, Buyer shall inspect and test the products promptly upon receipt and shall give Seller notice of nonconformity or defect promptly, and in any event within not less than 14 days of shipment (in the case of patent defects), or within not less than 14 days after discovery (in the case of latent defects), but in no event later than one year from shipment (as applicable, the "**Inspection Period**"). If notice of warranty claim is not delivered during the Inspection Period, the products shall be deemed accepted by Buyer and no warranty claims may be made with respect to such products.
5. Notwithstanding the foregoing, if Nonconforming Product has been sold intentionally, for example so called Secondary Material, Seller does not provide a warranty regarding the stated defects and those which Buyer can expect under normal circumstance.

## **G. Modification or Cancellation**

Orders once placed cannot be modified, cancelled or delayed in shipment except with Seller's written consent and subject to Seller's conditions, which shall include protection of Seller against expenses and lost profits.

## **H. Delivery Date and Dispatch, Force Majeure, Availability of Raw Materials**

1. Unless otherwise agreed in the Order Confirmation, delivery shall occur upon delivery to the carrier at Seller's location, packaged as required in these Terms ("**Delivery Point**"). Agreed delivery deadlines and dates shall only be valid as approximations and shall be subject to clarification of all details pertaining to the order in due time and the fulfillment by Buyer of all obligations in due time.
2. Delivery deadlines and dates shall be extended as a result of a direct or indirect delay caused by Buyer or resulting from delayed deliveries by suppliers to Seller that are not the fault of Seller. All orders or contracts are accepted with the understanding that they are subject to Seller's ability to obtain the necessary raw materials, and all orders or contracts as well as shipments applicable thereto are subject to Seller's current manufacturing schedules, and government regulations, orders and directives, and restrictions that may be in effect from time to time.
3. In the event of products ready for dispatch not being called for delivery within four days, Seller shall be entitled to store these at its discretion and at the cost and risk of Buyer and to charge such products as delivered ex works, regardless of a different delivery term in the Purchase Order or the Order Confirmation.
4. Deliveries shall be subject to, and contingent upon, strikes, labor difficulties, riot, civil unrest, war, acts of God, fire, flood, earthquake, epidemics, pandemics, delay or defaults of common carriers, failure or curtailment in Seller's usual sources of supply, governmental decrees or orders, embargoes, blockades, utility outages or shortages, or, without limiting the foregoing, any other delays beyond Seller's reasonable control, and Seller shall not be liable for any loss or damage arising therefrom. Seller shall have the additional right, in the event of the happening of any of these contingencies, at its option, to cancel this contract or any part thereof without any resulting liability. Seller shall also have the right to apportion shipments among customers as it may deem to be equitable.
5. In any case, shipments to the Delivery Point made within 30 days after specified date of delivery shall constitute a good delivery. Any delivery not in dispute shall be paid for regardless of other controversies relating to other delivered or undelivered merchandise.
6. Seller may, in its sole discretion, without liability or penalty, make partial shipments of products to Buyer. Each shipment will constitute a separate sale, and Buyer shall pay for the units shipped whether such shipment is in whole or partial fulfillment of the Purchase Order.

**I. Title, Risk of Loss, Diversion In Transit, Mode and Route or Transportation**

Risk of loss and title to all products shall pass to Buyer upon delivery to carrier at the Delivery Point. Neither Buyer nor any consignee shall have the right to divert or re-consign without Seller's written permission. Unless otherwise agreed, Seller has the right to select the mode and route of transportation.

**J. Special Orders, Patents**

If any product is manufactured to Buyer's specifications or requirements which are not part of Seller's standard product line offered, (1) Buyer shall defend, protect, and save harmless Seller against all suits at law or in equity and from all damages, expenses (including attorneys fees), costs, claims and demands related to or arising out of such Product, and (2), Buyer shall defend, protect, and save harmless Seller against all suits at law or in equity and from all damages, expenses (including attorneys fees), costs, claims and demands for actual or alleged infringement of any United States or foreign patent and shall defend any suit or actions which may be brought against Seller for any alleged infringement because of the manufacture and/or sale of the material covered thereby.

Buyer shall hold Seller harmless from all damages, expenses (including attorneys fees) and costs, and release and not make claim or suit against Seller because of, any suits, claims, losses, or other claim of liability made against, or suffered by, Buyer arising from any claim of, or infringement of, patent, copyright, trademark, or other proprietary right, or claim of unfair trade or of unfair competition, resulting from, or occasioned by, Buyer's use, possession, sale or delivery of the products sold to Buyer by Seller.

**K. Failure to Enforce Rights**

Failure by Seller to enforce any rights against Buyer shall not affect or waive Seller's rights to enforce its rights with respect to that or other defaults by Buyer.

**L. Governing Law**

To the extent not specified in these Terms, the Purchase Orders, and the Order Confirmations, all transactions shall be governed by the Uniform Commercial Code in effect in Ohio at the time of acceptance of a Purchase Order by Seller ("**Code**"). In the event of a breach by Buyer, Seller shall be entitled to all remedies available under the Code, in addition to any other remedies available at law or in equity. The courts located in Trumbull County, Ohio shall have exclusive jurisdiction and venue over all controversies in connection herewith, and Buyer hereby consents to such jurisdiction and venue. It is specifically agreed that these Terms, the Purchase Order, and the Order Confirmation shall not be covered by nor construed in accordance with the terms of the United Nations Convention on Contracts for the International Sale of Goods.

**M. Compliance with Law.**

Buyer shall at all times comply with all laws applicable to the operation of its business, these Terms, Buyer's performance of its obligations hereunder, and Buyer's use of the products. Without limiting the generality of the foregoing, Buyer shall (a) at its own expense, maintain all certifications, credentials, licenses, and permits necessary to conduct its business relating to the purchase or use of the products and (b) not engage in any activity or transaction involving the products,

by way of shipment, use, or otherwise, that violates any law.

Ammunition – Without limiting the immediately preceding paragraph, if Buyer is engaged in the business of manufacturing, importing, buying, selling, or transporting firearms or ammunition, Buyer will comply with the Gun Control Act of 1968 and all regulations promulgated thereunder, and shall keep in effect a Federal Firearms License as required by law or regulation, and further shall comply with any state laws and regulations affecting the firearms or ammunition business.

**N. Confidentiality**

Buyer may not disclose to any third party, or use to the detriment of Seller, the existence or details of any Purchase Order or Order Acknowledgment, these Terms or any agreement or arrangement with Seller, or any information Buyer receives or learns about Seller in connection with or as a result of a Purchase Order or Order Acknowledgment, except as is necessary to perform in accordance therewith. Seller shall be entitled to injunctive relief for any violation of this provision.

**O. Limitation of Liability**

**IN NO EVENT SHALL SELLER OR ANY OF ITS REPRESENTATIVES BE LIABLE FOR CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR ENHANCED DAMAGES, LOST PROFITS OR REVENUES OR DIMINUTION IN VALUE, ARISING OUT OF OR RELATING TO SALES OF PRODUCTS TO BUYER, REGARDLESS OF (A) WHETHER SUCH DAMAGES WERE FORESEEABLE, (B) WHETHER SELLER WAS ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, AND (C) THE LEGAL OR EQUITABLE THEORY (CONTRACT, TORT, OR OTHERWISE) UPON WHICH THE CLAIM IS BASED.**

**SELLER'S AGGREGATE LIABILITY ARISING OUT OF OR RELATED TO SALES OF PRODUCTS TO BUYER, WHETHER ARISING OUT OF OR RELATED TO BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE) OR OTHERWISE, SHALL NOT EXCEED FIFTY PERCENT (50%) OF THE PURCHASE PRICES PAID TO SELLER FOR THE PRODUCTS DIRECTLY CONTRIBUTING TO THE LIABILITY.**

**P. Relationship of the Parties**

The relationship between the parties is that of independent contractors. Nothing relating to the purchase and sale of products shall be construed as creating any agency, partnership, joint venture, or other form of joint enterprise, employment, or fiduciary relationship between the parties, and neither party shall have authority to contract for or bind the other party in any manner whatsoever.

**Q. No Third-Party Beneficiaries**

Nothing in the relationship between the parties, express or implied, confers on any other person any legal or equitable right, benefit, or remedy of any nature whatsoever under or by reason of the agreements between the parties.

**R. No other Contract Provisions**

These Terms, the Purchase Order, and the Order Confirmation form the entire agreement between Buyer and Seller and cannot be changed except in writing, signed by both parties.

**S. International Sales**

Notwithstanding anything to the contrary set forth herein, all shipments made to locations outside the United States of America shall be made EXW (Incoterms 2020 or as in effect from time-to-time) Seller's factory, Warren, Ohio. The Incoterms as amended in an Order Confirmation shall apply except to the extent the Incoterms conflict with these Terms. Furthermore, Buyer shall not export or reexport products, either directly or indirectly, or engage in any activity related to the international sale that is in contravention of any applicable law, statute or regulation and will first obtain any required licenses or authorizations from the relevant governmental authorities.