

**SRJ STEEL, LLC**

**STANDARD TERMS FOR SALES OF GOODS OR SERVICES**

1. **Formation of Contract.** The terms set forth in this form are the sole terms for the sale of goods and services by SRJ Steel, LLC, a Michigan limited liability company ("Seller"), unless otherwise specifically provided for by Seller in this document and shall apply to the exclusion of any inconsistent or additional terms contained in Buyer's order or acknowledgment or otherwise proposed by Buyer. Buyer's acceptance of these terms shall be conclusively presumed by Buyer's signature on this form, by Buyer's submission of a purchase order in response to this document, or by Buyer's acceptance of delivery of, or payment for, the goods and services. Any contract made for the sale of goods or services by Seller is expressly conditional on Buyer's assent to the terms stated in this document. Seller objects to any additional or inconsistent terms proposed by Buyer.

2. **Price.** All price quotations are offered for prompt acceptance and are subject to change without notice prior to Seller's receipt of a purchase order and written acknowledgement by Seller

3. **Purchase Orders.** Purchaser's order must specify the quantities requested, otherwise quantities specified in Seller's quote shall govern. All sales on an open purchase order must be completed within 90 days from the date of the purchase order unless otherwise specified on Seller's acknowledgement. All open purchase orders must provide Seller with forecasts of estimated quantities of the goods and an estimated delivery date. Seller shall have no responsibility for supply of goods in amounts which materially vary from Purchaser's forecast. Once received by Seller, a Purchaser's order and/or release may not be modified, cancelled, or otherwise altered without Seller's written consent. Any modification, cancellation, or alteration may be subject to cancellation charges or otherwise to conditions as negotiated at such time, which shall protect Seller against any damages or losses resulting therefrom.

a. **Exclusions.** The quoted price does not include applicable taxes such as city, state or federal, sales, use, or excise taxes, export or customs fees or duties, or surcharges which may be imposed on the sale or delivery of the goods. Furthermore, the quoted price does not include any other products, services or work not specifically described in this document. All taxes and charges shall be Buyer's responsibility and may be added to the invoice as a separate and additional charge to Buyer unless an acceptable exemption certificate is presented to Seller. Seller shall also have the right to separately bill Buyer, at any time, for any taxes and charges that are attributable to this sale that the Seller may be required to pay. Buyer shall reimburse Seller on demand for all such amounts.

4. **Invoicing.** All invoices issued by Seller shall be payable according to the terms contained in Paragraph 5, below. Unless otherwise stated by Seller in writing, Seller shall issue invoices to Buyer when deliveries of goods or services are made to Buyer.

5. **Payment Terms.** Unless otherwise specified by Seller, payment in full on all invoices is due thirty (30) days after the date of the invoice. Invoices not paid within thirty (30) days **may** have a service charge added to the amount due of one- and one-half percent (1 ½ %) per month. Payments must be made in the manner set forth in the invoice. Unless otherwise agreed, all payments shall be in U.S. dollars.

6. **Shipping and Risk of Loss.** Unless otherwise indicated, all quoted prices are F.O.B., Seller's shipping point at which time title shall pass to Buyer. Regardless of the F.O.B. point, Buyer is solely responsible for all costs of shipping and insurance for the goods and shall bear all risk of loss or damage to the goods during transit. Freight may be prepaid by Seller at its option and added to the invoice. Shipping dates are estimates only and based on mutually agreed upon ship dates that are

required to be confirmed via written documentation. "Drop in" orders to support just-in-time requirements (via electronic data interchange or otherwise) will be managed on a case-by-case basis where mutually agreed upon ship dates will be developed. Seller shall not be liable for premium freight requirements in the case of "drop in" orders and/or where mutually agreed upon ship dates have not been developed. Seller may ship all the goods at one time or in portions from time to time. Seller shall have the right to determine the method of shipment and routing of the goods, unless otherwise specified by Buyer. Buyer shall pay such delivery charges as Seller may establish from time to time, which will be included on Seller's invoice. Delivery in a manner directed by Buyer shall be at Buyer's sole cost. Seller shall not be liable for damages caused by delays in shipping or delivery for any reason whatsoever.

7. Reasonable Efforts. Seller will use commercially reasonable efforts to supply Buyer with goods offered by Seller and ordered by Buyer. If Buyer causes or requests delay in the shipment of products or the provision of services, Buyer shall pay Seller for all expenses and losses of Seller resulting therefrom. In times of short supply, Seller is entitled to allocate products among its customers as it determines in its sole discretion to be appropriate under the circumstances. Under no circumstances will Seller be liable for any failure to deliver goods ordered by Buyer that is caused by the lack of availability of necessary raw materials.

8. Limited Warranty and Disclaimer. Except as expressly set forth in Seller's quotation or order acknowledgement, Seller warrants that the goods will conform in all material respects to the description and specification of the goods set forth on the face of the Quotation (the "Warranty"). Purchaser acknowledges and agrees that as a steel service center business, Seller does not have full control of all steel manufacturing processes and that all goods shall be subject to tolerances and variations consistent with usages of the trade and published industry standards concerning dimension, weight, straightness, section, composition and mechanical properties, normal variations in surface, inspection methods, and regular mill practices concerning over and under shipments. It is Purchaser's responsibility to determine whether the purchase order specification is adequate for its intended use.

Purchaser shall inspect the goods upon delivery and shall notify Seller in writing within five (5) days of Purchaser's receipt of the goods of any defects, non-conformities or other claims including identification information such as coil or lift number. Without limiting the foregoing, Purchaser shall notify any transit-related damages or other external visual damage upon receipt of such damage on the courier's bill of lading and document such damage photos.

Before rejecting any goods, Purchaser shall process at least 10%, but no more than 20%, of the goods to determine if any defects originally identified clear up during processing. If the defects have not cleared up after such processing, Purchaser should stop processing and reject the material.

If Purchaser fails to notify Seller within thirty (30) days of receipt of any goods, or if the goods are not maintained in the condition when received by Purchaser, Purchaser will have deemed to have accepted all of such goods and waived claims with respect to any defects or non-conformance.

9. Cure. In the event any goods fail to comply with the Warranty, Purchaser may return the defective goods to Seller, freight prepaid at Seller's discretion. Provided, however, goods for which damages are claimed, shall not be returned, repaired, or replaced without Seller's written consent. Purchaser's sold and exclusive remedy for the non-conformance of any good with the Warranty, shall be, at Seller's election, (i) Seller repairs or corrects the non-conformance in a mutually agreed upon manner, (ii) Seller furnishes Purchaser, without charge, and FOB the Purchaser's facility, with a replacement for the non-conforming or defective good, or (iii) Seller reimburses Purchaser for the purchase price of the non-conforming good.

## DISCLAIMER

**NOTWITHSTANDING ANY OTHER PROVISION IN THIS DOCUMENT, SELLER EXPRESSLY DISCLAIMS AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND ALSO DISCLAIMS AND EXCLUDES ALL LIABILITY FOR INCIDENTAL, CONSEQUENTIAL, INDIRECT OR ANY OTHER SPECIAL DAMAGES OF BUYER, INCLUDING LOST PROFITS, FOR BREACH OF WARRANTY OR OF CONTRACT OR OTHERWISE. THIS LIMITED WARRANTY IS THE SOLE AND EXCLUSIVE REMEDY OF BUYER AGAINST SELLER.**

10. Force Majeure. Any delay or failure of Seller to perform its obligations will be excused if and to the extent that it is caused by an event or occurrence beyond Seller's reasonable control, such as: acts of God; governmental actions; embargoes; fires; explosions; natural disasters; riots; wars; sabotage; terrorist acts, utility interruptions, failures or delays by Seller's vendors (including without limitation the lack of availability of necessary raw materials), or court injunction or order.

11. Cancellation or Change. Except as otherwise agreed by Seller in writing, a sale of goods or services under this document is not subject to cancellation or change without Seller prior written approval. In the event of a cancellation is approved by seller, then unless otherwise agreed, Buyer shall pay Seller all costs, expenses and related damages Seller incurs in relation to the order and/or cancellation of the order, and any shipping charges or out of pocket expenses incurred by Seller in relation to the cancellation.

12. Waiver. No right or remedy of Seller shall be deemed to have been waived or renounced, in whole or in part, unless that waiver or renunciation is supported by consideration and is in writing signed by Seller.

13. Confidentiality of Seller's Information. Any information disclosed by Seller to Buyer is confidential, and Buyer agrees not to use or disclose any of that information without Seller's prior written consent.

14. Buyer's Default. Buyer is in default if any of the following occurs:

- a. Buyer breaches, repudiates, or threatens to breach any term in the contract evidenced by this document or in any other agreement between Buyer and Seller, including but not limited to a failure to pay all sums when due.
- b. Insolvency of Buyer or filing a voluntary or involuntary petition in bankruptcy with respect to Buyer.
- c. Appointment of a receiver or trustee for Buyer.
- d. Buyer's credit becomes impaired; or
- e. Execution of an assignment for the benefit of creditors of Buyer.

15. Seller's Remedies. In the event of Buyer's default, Seller may exercise any remedies available under applicable law, including but not limited to the following remedies:

- a. Seller may require payment in advance.
- b. Seller may ship goods only via C.O.D.
- c. Seller may suspend performance or cancel all or any part of the balance of any contract with the Buyer.
- d. Seller may reduce any unpaid debt of Buyer by enforcing its security interest, created hereby, in all goods (and proceeds therefrom) furnished by Seller to Buyer.
- e. Seller may take any other steps necessary or desirable to secure Seller fully with respect to Buyer's payment for goods and services furnished or to be furnished by Seller to Buyer; and

f. Buyer shall reimburse Seller for all damages suffered due to Buyer's breach, including but not limited to incidental, consequential, and other damages, as well as lost profits, reasonable attorney fees, and court costs.

The remedies in this document shall be cumulative and in addition to any other remedies allowed to Seller under applicable law. No waiver by Seller of any breach or remedy shall be a waiver of any other breach or remedy.

16. Compliance With Laws. Unless otherwise expressly agreed in writing by Seller, Seller shall not be liable to Buyer for, and Buyer agrees to indemnify, defend, and hold Seller harmless from, all liability arising or alleged to arise out of any failure of the goods sold by Seller to conform to any federal, state, or local law, order, regulation or standard.

17. Time For Bringing Action. Any action by Buyer against Seller for breach of Seller's obligations hereunder or for any other claim arising out of or relating to the goods or their design, manufacture, sale, or delivery must be brought within one (1) year after the cause of action accrues.

18. General.

a. Compliance with Laws. Buyer warrants that it is and will remain in compliance with all federal, state, and local laws, regulations and ordinances relating to Buyer's ability to perform its obligations under this purchase order.

b. Setoff. Seller has the right to deductions or setoffs of any sums due to Seller from Buyer (whether or not arising from this agreement) against any sums due to Buyer from Seller (whether or not arising from this agreement).

c. Assignment. Buyer shall not assign its rights or delegate its duties under this document without Seller's prior written consent. Seller may assign to any third party its rights and obligations with respect to Buyer.

d. Entire Agreement and Amendment. This document contains all of the terms of the agreement between Seller and Buyer with regard to its subject matter and supersedes all prior oral or written representations, agreements, and other communications between Seller and Buyer. The contract evidenced by this document may be amended only by a writing signed by Buyer and an officer of Seller.

e. State Law. The sale of goods and services in accordance with this document shall be governed in all respects by the laws of the State of Michigan.