



TERMS AND CONDITIONS OF SALE

1. **GOVERNING LAW** – Unless otherwise specified in Seller's acknowledgement, all orders are accepted by Seller at its corporate office in Northbrook, Illinois and shall be governed by and interpreted in accordance with the laws of the state of Illinois.
2. **FORCE MAJEURE, APPORTIONMENT** – Manufacture, shipment and delivery are subject to, and Seller shall not be liable for any delay in or impairment of performance, resulting in whole or in part from any war (whether or not declared), strike, difference with workmen, accident, fire, flood, Acts of God, delay in transportation, shortage of materials, equipment breakdowns, mill conditions, laws, regulations, orders or acts of any governmental agency or body, or any cause beyond the reasonable control of the Seller or if performance by Seller becomes impracticable due to the occurrence of a contingency the non-occurrence of which was a basic assumption on which this acknowledgement was issued in any such events, Seller shall have such additional time within which to perform as may be reasonable necessary and shall have the right to apportion its production among its customers in such manner as it shall deem equitable.
3. **MODIFICATION OF TERMS** – Seller's acceptance of any order is expressly subject to Buyer's assent to each and all of the terms and conditions set forth in Seller's acknowledgement, and Buyer's assent to these terms and conditions shall be conclusively presumed from Buyer's receipt of Seller's acknowledgement without prompt written objections thereto, or from Buyer's acceptance of all or any part of the goods or services orders. No addition to or modification of said terms and conditions shall be binding upon the Seller unless specifically agreed to by the Seller in writing. If Buyer's purchase order or other correspondence contains terms or conditions contrary to or in additions to the terms and conditions contained in Seller's acknowledgement, acceptance of any other by Seller shall not be construed as assent to such contrary or additional terms and conditions, or constitute a waiver by Seller of any of the terms and conditions contained in Seller's acknowledgement. Any reference to Buyer's purchase order noted on Seller's acknowledgement shall not affect or limit the applicability of the terms and conditions contained in Seller's acknowledgement.
4. **PRICE** – Unless otherwise specified in Seller's acknowledgement, (a) all prices, quotations, shipments and deliveries by Seller are F.O.B. Seller's plant (b) all base prices, together with related extras and deductions, are subject to change without notice and all orders are accepted subject to Seller's price in effect at the time of shipment, and (c) all transportation and other charges are for the account of Buyer and shall be at prevailing published or equivalent rates, including any increase or decrease in such charges prior to shipment. Payment due date, net or discount, shall be based on the date of the invoice. Cash discount, if any, shall apply only on the unit price of the material.
5. **PRODUCING OR SHIPPING POINT** – Unless otherwise specified in Seller's acknowledgement, Seller reserves the right to produce and ship all or any part of the goods specified in any order from any to its plants or facilities.
6. **CREDIT DEFAULT IN PAYMENT** – All orders and shipments are subject to the approval of Seller's Credit Department and Seller may at any time refuse to make shipments or delivery if Buyer fails to fulfill the terms and conditions of payment or fails to provide security satisfactory to Seller in the event Buyer fails to make payment on any contract (whether or not the contract evidenced by this acknowledgement) between Buyer or any of its affiliates and Seller or any of its affiliates in accordance with the terms of such contract. Seller may, at its option and in addition to all other remedies available to it, (a) defer shipments hereunder until such payment is made and satisfactory credit arrangements are established, or (b) cancel the unshipped balance of this order. At Seller's option, interest will be charged after the due date up to the maximum lawful contract interest rate.
7. **SETOFF** – Seller shall have the right to credit toward the payment of any monies that may become due Seller hereunder any sums which may now or hereafter be owed by Seller or any affiliate of Seller.
8. **TRANSPORTATION** – Seller has the right to select the carrier, but will use its reasonable efforts to comply with Buyer's requests as to method of transportation. Seller reserves the right to use an alternate method of transportation whether or not at a higher cost to Buyer, if the method specified by the Seller to be unavailable or otherwise unsatisfactory in any such case. Seller shall promptly notify Buyer of any such change.
9. **PACKING** – Seller will use its reasonable efforts to comply with any special packing, loading or bracing requirement specified in any order. Seller will charge for compliance with Buyer's special requirements in accordance with Seller's price list of extras in effect at the time of shipment. If no packing, loading or bracing requirements are specified by Buyer, Seller shall comply with the minimum requirements customarily applied by Seller to the method of transportation used for such goods.
10. **INSPECTION** – If Seller's acknowledgement expressly permits inspection at Seller's works, such inspection shall be made by Buyer promptly upon notification that the material is ready and in such manner as not to interfere with Seller's operations. If such inspection is made, acceptance or rejection shall be made by Buyer before shipment.
11. **DISCLAIMER: LIMITED WARRANTY – THERE ARE NO WARRANTIES, EXPRESSED OR IMPLIED (INCLUDING, BUT NOT BY WAY OF LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY AND ANY IMPLIED WARRANTY OF FITNESS FOR PURPOSE) ON ANY ORDER, EXCEPT THAT SELLER WARRANTS TITLE TO ALL GOODS FURNISHED BY SELLER AND EXCEPT THAT ALL GOODS DESCRIBED ON SELLER'S ACKNOWLEDGEMENT OF BUYER'S PURCHASE ORDER WILL BE MANUFACTURED IN ACCORDANCE WITH THE SPECIFICATIONS IF ANY, SET FORTH IN BUYER'S PURCHASE ORDER AND EXPRESSLY ACCEPTED IN SELLER'S ACKNOWLEDGEMENT SUBJECT TO SELLER'S STANDARD MANUFACTURING VARIATIONS.**
12. **LIMITATION OF BUYER'S REMEDIES – BUYER'S REMEDIES WITH RESPECT TO ANY CLAIM ARISING OUT OF ANY ORDER OR SELLER'S PERFORMANCE IN CONNECTION THEREWITH, INCLUDING WITHOUT LIMITATION, ANY CLAIM ARISING OUT OF ANY DELAY IN THE MANUFACTURE, SHIPMENT OR DELIVERY OF GOODS FURNISHED OR TO BE FURNISHED BY SELLER, OR ANY DEFECT OR ALLEGED DEFECT, IN ANY GOODS OR SERVICES FURNISHED BY SELLER, SHALL BE LIMITED TO THE RIGHT OF REPLACEMENT OF SUCH GOODS OR SERVICES OR, AT SELLER'S OPTION, TO CANCELLATION OF THE ORDER FOR SUCH GOODS OR SERVICE AND REPAYMENT OF THE PURCHASE PRICE PAID BY BUYER THEREFORE, WITHOUT LIMITATION, WAY LIMITING THE GENERALITY OF THE FOREGOING IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CONSEQUENTIAL, OR INCIDENTAL DAMAGES (INCLUDING, WITHOUT LIMITATION, ANY LOSS OF PRODUCTION OR ANTICIPATED PROFITS) OR LIABILITY INCURRED BY BUYER WITH RESPECT TO ANY GOODS OR SERVICES FURNISHED OR AGREED TO BE FURNISHED BY SELLER IN NO EVENT REGARDLESS OF THE LEGAL THEORY ON WHICH A REMEDY IS SOUGHT, SHALL SELLER'S LIABILITY EXCEED THE PURCHASE PRICE OF THE MATERIAL OR SERVICES IN QUESTION. NO ACTION, REGARDLESS OF FORM, ARISING OUT OF THIS SALE MAY BE BROUGHT BY EITHER PARTY MORE THAN ONE (1) YEAR AFTER THE SALE HAS OCCURRED, EXCEPT THAT AN ACTION FOR NONPAYMENT MAY BE BROUGHT AT ANY TIME PERMITTED BY LAW.**



13. **CLAIMS** – Unless otherwise expressly agreed in Seller's acknowledgement, claims respecting the condition of goods, compliance with specifications of any other matter affecting goods shipped to Buyer must be made promptly and in no event later than ninety (90) days after receipt of the goods by Buyer. Buyer shall set aside, protect and hold such goods without further processing until Seller has an opportunity to inspect and advise of the disposition, if any, to be made of such goods. In no event shall any goods be returned, reworked or scrapped by Buyer without the express written authorization of Seller.
14. **DAMAGED GOODS** – If any goods should arrive at Buyer's destination in a damaged condition or should a shortage occur, Buyer shall immediately report the damage or shortage to the delivering carrier and to Seller. Any loss or shortage occasioned by damage or otherwise occurring in transit (via common carrier or Seller's trucks) will be for account of Buyer. Buyer will procure necessary insurance to cover any in transit loss or shortage.
15. **QUALITY ASSURANCE** – Seller shall have no obligation to ensure that any goods or services purchased from Seller meet any special quality assurance specifications or other requirements unless such specifications or other requirements are set forth in Buyer's purchase order and expressly accepted in Seller's acknowledgement and Buyer represents and warrants that goods which it purchases from Seller will not be applied by Buyer to, or resold by Buyer for application to any critical end user, including, without limitation, use in connection with or in any way related to the construction or operation of a nuclear facility, unless the appropriate specification or other requirement for such critical end user is set forth in Buyer's purchase order and is expressly accepted Seller's acknowledgement. In the event that any such goods or any services supplied by Seller in connection therewith are applied to a critical end use without the appropriate specification or other requirement therefore having been set forth in Buyer's purchase order and expressly accepted in Seller's acknowledgement, Buyer shall indemnify and hold Seller harmless, against any and all damages or claims for damages made by any person for any injury, fatal or nonfatal, to any person or for any damage to the property of any person, incident to or arising out of such application including, without limitation, any loss resulting from the radioactive, toxic, explosive or other hazardous properties of "special nuclear material" or "by-product material", as such terms are defined in the Atomic Energy Act of 1954, or any law amendatory thereof or regulations adopted pursuant thereto.
16. **TAXES** – Any taxes which the Seller may be required to pay or collect, through assessment or otherwise, under any existing or future law upon or with respect to the sale, purchase, delivery, transportation, storage, processing, use or consumption of any goods or services described herein, including, without limitation, taxes upon measured by receipts from sales or services, shall be for the account of Buyer and may be added to the price of such goods or services. Buyer shall promptly pay the amount thereof to Seller upon demand but may, in lieu of such payment; furnish to Seller evidence of the issuance of tax exemption certificates acceptable to the appropriate taxing authorities.
17. **TECHNICAL ASSISTANCE** – Unless otherwise expressly agreed in Seller's acknowledgement, (a) any technical advice provided by Seller with respect to the use of goods or services furnished to the Buyer shall be added without charge; (b) Seller assumes no obligation or liability for any such advice, or for any results occurring as a result of the application of such advice, and (c) Buyer shall have sole responsibility for selection and specification of the goods or services appropriate for the end use of such goods or services.
18. **PERMISSIBLE VARIATIONS** – Goods shipped by Seller shall be within the limits and sizes published by Seller subject, however, to Seller's standard variations for rolling, shearing and cutting, and Seller reserves the right to ship overages or underages of weight, length, size and/or quantity in accordance with Seller's standard practices. Buyer and Seller agree that variation in check weighing by Buyer up to 5% is permissible variation from invoiced weights to account for differences in kind, type, location and accuracy of scales and possible errors of weighing personnel
19. **DRAWBACK** – Seller specifically reserves to itself all rights to drawback of duty or taxes paid on materials entering into the manufacture or production of the goods specified in any order. Buyer disclaims all interests in such rights and agrees to furnish Seller with proof of exportation and all other documents necessary to obtain payment of such drawbacks and to cooperate with Seller in obtaining such payment.
20. **ASSIGNMENT** – Buyer shall not assign any order or any interest therein without the written consent of the Seller. Any such actual or attempted assignment without Seller's prior consent shall entitle Seller to cancel such order upon written notice to Buyer.
21. **FAIR LABOR ACT** – The material covered by this contract will be produced in compliance with all applicable requirements of the Fair Labor Act of 1938, as amended.
22. **WAIVER** – Neither party shall be deemed to have waived any of its rights, powers or remedies under this Agreement, or at law or in equity, unless such waiver is in writing and is executed by it. No delay or omission by either party in exercising any right, power, or remedy shall operate as a waiver thereof, or of any other right, power, or remedy. No waiver by either party of any default shall operate as a waiver of any other default, or of the same default, or another occasion.
23. **COMPLETE AGREEMENT** – The terms and conditions set forth in Seller's acknowledgement together with any other documents incorporated herein by reference constitute the sole and entire agreement between Buyer and Seller with respect to any order, superseding completely any oral or written communications unless the terms are expressly incorporated in Seller's acknowledgement. No additions to or variations from such terms and conditions, whether contained in Buyer's purchase order, any shipping release or elsewhere, shall be binding upon Seller unless expressly agreed to in writing by Seller.
24. **ERRORS** – Seller reserves the right to correct any inadvertent errors made in specifications and prices quoted.
25. **SECURITY INTEREST** – Until full payment of the purchase price for any goods orders, Seller retains a security interest in the goods and may, at its option, and without further agreement or signature by the Buyer, file evidence of such security interest pursuant to the Uniform Commercial Code. So long as Seller has a security interest, Buyer will keep the goods in good condition and free from any other liens or encumbrances.