

**GRIGGS STEEL COMPANY  
GENERAL TERMS AND CONDITIONS OF SALE**

**1. THESE TERMS FORM CONTRACT; REJECTION OF PRIOR TERMS.** THESE GENERAL TERMS AND CONDITIONS OF SALE SET FORTH THE TERMS AND CONDITIONS UPON WHICH GRIGGS STEEL COMPANY ("SELLER") OFFERS TO SELL STEEL TO BUYER. THESE ARE THE SOLE AND EXCLUSIVE TERMS AND CONDITIONS UPON WHICH THE CONTRACT BETWEEN BUYER AND SELLER IS FORMED. SELLER HEREBY OBJECTS TO ANY ADDITIONAL OR DIFFERENT TERMS AND CONDITIONS THAT HAVE BEEN OR MAY BE SUPPLIED BY BUYER, AND THESE TERMS AND CONDITIONS TAKE PRECEDENCE OVER AND SUPERSEDE ANY TERMS SUPPLIED BY BUYER AND BY OPERATION OF LAW. BUYER'S USE OF SOME OR ALL OF THE SELLER-SUPPLIED STEEL SHALL CONSTITUTE BUYER'S ACCEPTANCE OF THESE TERMS AND CONDITIONS, INCLUDING BUYER'S ACCEPTANCE OF ANY PORTION OF THESE TERMS AND CONDITIONS WHICH MAY BE DEEMED TO BE A COUNTEROFFER.

**2. INCREASES IN FREIGHT, INSURANCE, DUTY, ETC.** This contract is based upon present rates for freight, insurance, government tariffs, duties, taxes, assessments and other levies arising here and abroad. If there is any increase in such charges caused by a change in duty classifications, valuation or otherwise, or by a newly-imposed government tariff, tax, assessment or other levy, the increase will be added to and become a part of the contract price and paid by Buyer.

**3. MULTIPLE SHIPMENTS-SEPARATE CONTRACTS.** If multiple shipments or deliveries are contemplated, each shipment or delivery will be construed and considered a separate sale and contract, and Buyer agrees to accept and pay for each such shipment or delivery as provided herein. If Buyer fails to accept or pay for each such shipment or delivery, Seller may, without prejudice to any other lawful remedy, withhold further shipments or deliveries until Buyer accepts the earlier deliveries or until payment is made by Buyer, or at its option Seller may without liability whatsoever terminate this contract as to any unaccepted or undelivered portion thereof as well as any other outstanding contract with Buyer, and Buyer shall be responsible for any resulting expense and losses sustained by Seller.

**4. OWNERSHIP.** Delivery of steel by the Seller to the carrier at the shipping point shall constitute delivery to the Buyer. Upon delivery of the steel to the carrier, title and risk of loss shall pass to the Buyer subject to the Seller's right of stoppage in transit to secure payment of the purchase price.

**5. NON-DELIVERY OR DELAY BEYOND SELLER'S CONTROL.** Seller shall bear no liability for the whole or any part of a shipment or delivery which is delayed through any act or neglect of the carrier or any other person, including subcontractors, manufacturers and suppliers of the Seller or by any embargo, hostilities, war, civil disturbances, strike, fire accident, government seizure or requisition, or by reason of any other cause whatsoever which is beyond the reasonable control of Seller. Seller may make or resume shipment or delivery upon removal of such cause or causes of delay. Seller may also cancel the whole or remainder of this contract without liability to Buyer if such delay or non-delivery or non-shipment lasts for more than ninety (90) days from the originally-scheduled date of delivery or shipment.

**6. WARRANTY AND LIMITATIONS.**

(a) SELLER MAKES NO WARRANTIES OR REPRESENTATIONS TO BUYER EXCEPT THOSE EXPRESSLY PROVIDED IN THIS SECTION 6(a). SELLER WARRANTS TO BUYER THAT THE STEEL SUPPLIED BY SELLER SHALL MEET SUCH CHEMICAL COMPOSITION, HARDNESS, HEAT TREATING AND STEEL PROPERTIES AS SET FORTH FOR THAT PARTICULAR STEEL GRADE ON THE GRIGGS STEEL COMPANY WEB SITE AT THE TIME OF SALE (the "Steel's Specifications"). IF STEEL SUPPLIED BY SELLER FAILS TO MEET THE STEEL'S SPECIFICATIONS, SELLER WILL CREDIT TO BUYER'S ACCOUNT i) THE PURCHASE PRICE OF THE NON-CONFORMING STEEL AND ii) BUYER'S ACTUAL, SELLER-VERIFIED COST FOR WORK INCURRED BY BUYER TO MANUFACTURE TOOLS FROM SUCH NON-CONFORMING STEEL IN AN AMOUNT UP TO FIVE TIMES THE PURCHASE PRICE FOR THE STEEL AT ISSUE, AND BUYER SHALL ACCEPT SAME AS BUYER'S SOLE REMEDY. SELLER MAKES NO OTHER WARRANTIES OF ANY KIND OR NATURE, INCLUDING, WITHOUT LIMITATION, WITH RESPECT TO THE MERCHANTABILITY OF THE STEEL OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, AND SELLER EXPRESSLY DISCLAIMS ANY OTHER WARRANTIES THAT MAY BE PROVIDED BY OPERATION OF LAW.

(b) Buyer shall assume all risk and liability resulting from the use of steel delivered under this contract by Buyer in Buyer's subsequent processing and from Buyer's use of such steel in combination with other substances.

(c) SELLER SHALL NOT BE LIABLE FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, BY WAY OF EXAMPLE AND NOT LIMITATION, BUYER'S LOST PROFIT, ADMINISTRATIVE AND LEGAL COSTS) CAUSED BY SELLER'S BREACH OF ANY OF THE TERMS IN THIS CONTRACT. IN NO CASE OTHER THAN THAT EXPRESSLY SET FORTH IN SECTION 6(a) SHALL SELLER'S LIABILITY EXCEED AN AMOUNT EQUAL TO TWO TIMES THE PURCHASE PRICE FOR THE STEEL AT ISSUE.

(d) If Buyer asserts that any steel purchased from Seller does not meet the Steel's Specifications, Buyer will return some or all of such Steel to Seller upon Seller's request. Seller may, at Seller's option, request testing of the steel by a third party or by the manufacturer of the steel to determine if the Steel's Specifications were met. The result of any such inquiry shall be final and binding on Buyer and Seller.

**7. MODIFICATION OF LINE OF CREDIT.** This contract is subject to Buyer's credit limit as determined at any time by Seller. Seller reserves the right to limit or cancel Buyer's credit line upon notification to Buyer. If Buyer exceeds its line of credit or if in the opinion of Seller the financial condition of Buyer warrants such action, Buyer on written demand by Seller and notwithstanding the selling terms stated on the face hereof shall pay cash in advance for delivery of any shipments. Upon failure by Buyer to make such payment within ten (10) days, Seller shall have, in addition to the other rights set forth in this contract or granted to it by law, the right to cancel the contract, bill all or any part of the undelivered steel at public or private sale, and hold Buyer responsible to any financial loss incurred.

8. **PAYMENT.** All monies due to Seller arising under this contract shall be payable in lawful currency of the United States.

9. **INTEREST CHARGE.** Any payment required of Buyer hereunder and not made when due shall bear interest from the date such payment was due at a rate equal to the lesser of (i) 1 ½ percent per month or any portion thereof, or (ii) the highest rate of interest permitted by applicable law.

10. **CLAIMS AND ALLOWANCES.** Seller shall not be liable for any non-material variation from the Steel's Specifications. Claims of defect, except for latent defects, are specifically barred unless made in writing to Seller by registered mail, return receipt requested, not more than thirty (30) days after delivery of the steel to Buyer or its agent at the destination. Claims for latent defects are barred unless presented in writing by registered mail, return receipt requested, within one (1) year days after the date of delivery to Buyer or its agent.

11. **TERMINATION.** Seller reserves the right to terminate this contract partially or entirely in the event Buyer fails to make payments as specified or breaches any other terms and conditions of this contract. Seller may also terminate this contract on occurrence of any of the following: insolvency of Buyer, filing by Buyer of a voluntary petition in bankruptcy, filing of an involuntary petition to have Buyer declared bankrupt, appointment of a receiver or trustee for Buyer, execution by Buyer of an assignment or composition arrangement for the benefit of creditors, filing of a voluntary or involuntary petition for corporate reorganization of Buyer or limitation by any party of any other proceeding involving Buyer as debtor under the Bankruptcy Act as amended. In the event of any termination under this paragraph, Seller, without prejudice to any other rights available to it for breach of this contract, shall have the right (a) to refuse to deliver any additional steel; (b) to recover from Buyer the contract price of all steel delivered and for freight, storage, handling and other expenses incurred by Seller; (c) to sell elsewhere and charge Buyer with any resultant losses.

12. **ATTORNEY'S FEES.** If Seller commences an action against Buyer at law or in equity or to enforce any of the terms hereof or because of the breach by Buyer of any of the terms hereof or for the recovery of any payments due hereunder, Buyer shall pay to Seller reasonable attorney's fees and expenses, and the right to such attorney's fees and expenses shall be deemed to have accrued on the commencement of such action and shall be enforceable whether or not such action is prosecuted to judgment.

13. **LIMITATION OF ACTION.** Any cause of action brought by Buyer under this contract shall be commenced and served within one year from the date that the steel at issue was delivered to the shipping point; any action that is not initiated in such manner and within such time shall be deemed waived by Buyer.

14. **ASSIGNMENT.** Buyer shall neither assign any rights nor delegate any duties under this contract nor any monies due hereunder without Seller's prior written consent. The prohibition of assignment and designation extends to all assignments and delegations that may lawfully be prohibited by agreement.

15. **TRADE TERMS AND GOVERNING LAW.** Title, ownership and risk of loss of the steel shall pass to Buyer in accordance with the trade terms specified on the face hereof, the

interpretation of which shall be described in INCOTERMS published by the International Chamber of Commerce. This contract shall be governed in all respects, whether as to validity, construction, capacity, performance or otherwise by the laws of the State of Michigan, and, for the purpose of resolving any conflict of laws, this contract shall be deemed to be fully and solely made, performed and/or observed in Oakland County, Michigan. For the avoidance of doubt, the United Nations Convention on Contracts for the International Sale of Goods is expressly disclaimed and shall not apply. Buyer and Seller expressly consent to personal jurisdiction and exclusive venue in state and federal courts located in Michigan. Buyer and Seller each expressly waive all positions designed to defeat such aforesaid personal jurisdiction, including a claim that the doctrine of *forum non conveniens* should be applied.

16. **ENTIRE CONTRACT.** This contract supersedes all other agreements, representations, understandings, prior course of dealing, trade usage or course of performance, verbal or written, and constitutes the entire contract between Buyer and Seller. If any provision of this contract is determined by a court of competent jurisdiction to be null and void or unenforceable, such provision shall be deemed to be severed and the remaining provisions of this contract shall remain in full force and effect.

17. **MODIFICATION AND WAIVER.** Any alterations or modifications of this contract shall be by mutual agreement of the parties and shall not be binding on Seller unless made in writing and executed by a duly authorized official of Seller.

No claim or right arising out of breach of this contract can be discharged in whole or in part by waiver or renunciation of the claim or right unless the waiver or renunciation is in writing and signed by Seller. No failure to exercise, delay in exercising or course of dealing with respect to any right, power, privilege or remedy shall operate as a waiver thereof by Seller or of any other right, power, privilege or remedy. No exercise or partial exercise of any right, power, privilege or remedy shall preclude any other or further exercise thereof by Seller or the exercise of any other right, power privilege or remedy by Seller.

18. **REMEDIES.** The remedies herein reserved to Seller shall be cumulative and additional to any other or further remedies provided at law or in equity.

19. **TAXES.** Unless specifically provided to the contrary on the face of this contract, Buyer shall be solely responsible for and shall timely pay or provide Seller with exemption certificates for all sales, use, transfer and excise taxes and any other governmental fees, duties, assessments and charges attributable to the purchase which is the subject of this contract.

20. **HEADINGS.** The headings on this contract are for convenience of reference only and shall not affect or limit the meaning of the provisions herein.

21. **CLERICAL ERRORS.** All clerical errors in this contract are subject to correction.

(rev. 5/2015)

4836-9812-7139