

## SWISS STEEL USA – PURCHASE ORDER TERMS & CONDITIONS

Swiss Steel (“Buyer”) and the party selling the goods and/or services (“Seller”) hereby agree to the following Purchase Order Terms and Conditions. The following terms and conditions apply to any purchase of goods and/or services by Buyer from Seller (the “Purchase Order”).

**1. Agreement** – By shipping the goods ordered hereby or acknowledging receipt hereof or performing the work requested hereby, Seller agrees to the terms and conditions set forth herein and in any attachments hereto or documents incorporated by reference, none of which may be added to, deleted, modified, superseded or otherwise altered except by a written instrument signed by an authorized representative of Buyer and delivered to Seller. Any different, inconsistent or additional items in any proposal, offer, acknowledgement of this Purchase Order, bill of lading, invoice, or other document issued by Seller, whether prior or subsequent hereto, are hereby rejected, notwithstanding any terms or conditions to the contrary that may be contained in any such document of Seller and notwithstanding Buyer’s act of accepting or paying for any goods and/or services or similar act of Buyer. If this Purchase Order shall be deemed an acceptance or acknowledgement of a prior offer by Seller, Buyer’s acceptance of such offer is expressly conditioned on Seller’s assent to any additional, inconsistent or different terms contained herein notwithstanding anything to the contrary in such offer. In the event of any conflict, discrepancy or inconsistency between these Purchase Order Terms and Conditions and those terms and conditions contained in any document submitted by Seller, these Purchase Order Terms and Conditions shall govern even if Seller’s document expressly limits acceptance to Seller’s terms and conditions.

**2. Warranty** – Seller expressly warrants that all goods and materials covered by this Purchase Order or other description or specification furnished by Buyer will be in strict accordance with such Purchase Order, description or specification and be free from defects in material and/or workmanship, and merchantable. Such warranty shall survive any inspection, delivery, acceptance, or payment by Buyer of said goods or materials, and Buyer reserves the right to cancel this Purchase Order, without liability to Seller, for breach of such warranty. Any deviations from this Purchase Order or description or specification furnished by Buyer, or any other exceptions or alterations, must be approved in writing by Buyer.

**3. Shipment** – Shipments shall be made in accordance with Buyer’s shipping instructions which are subject to revision with respect to undelivered quantities. Buyer reserves the right to cancel all or any part of the undelivered portion of this Purchase Order if Seller does not make deliveries when and as specified or if Seller breaches any of the terms hereof. Any unauthorized quantity is subject to rejection, and such goods will be held at Seller’s risk and may be returned at Seller’s expense. Seller shall advise Buyer of any shortage or delay in shipment.

**4. Invoices; Packages** – Invoices, shipping notices and test reports must be rendered in duplicate together with original bills of lading or express receipts not later than the day following shipment. Each package shall be numbered and labeled with Buyer’s order number, contents, and shall contain an itemized packing slip. Buyer’s order number must appear on invoices and shipping notices.

**5. Inspection** – Seller shall maintain a quality / inspection system which is in conformance with the requirements of ISO9001 or AS9100 to include: Receiving, In-Process and Final Inspection including inspection and Test Records shall be supplied to Buyer if requested on the Purchase Order and upon completion and shipment of said Purchase Order. First Article Inspection may also be invoked in accordance with AS9102 requirements and as necessary.

Delivery shall not be deemed to be complete until Buyer’s inspection and acceptance at Buyer’s location. Defective goods or goods not in accordance with Buyer’s description or specifications may be rejected by Buyer, and Buyer, at its option (without prejudice to any other legal remedy), may hold such goods at Seller’s risk or return same to Seller at Seller’s risk and/or expense. If inspection discloses that part of the goods received are not in accordance with Buyer’s description or specifications, Buyer shall have the right to cancel any unshipped portion of this Purchase Order. Defects are not waived by acceptance of or payment for the goods or by failure to notify Seller thereof. Seller and Buyer each agrees to cooperate with the other if either party desires to file a claim against a third party for any loss of or damage to the goods in transit.

**6. Price** – Prices recorded in this Purchase Order are not subject to increase. If Seller’s quoted prices for the goods covered by this Purchase Order are reduced (whether in the form of a price reduction, close-out, rebate, allowances, or additional discounts offered to anyone) at time of any shipment, Seller agrees that the price to Buyer for such goods will be reduced accordingly, and that Buyer will be billed at such reduced prices. Seller represents that the prices and terms of purchase and any allowances available shall be in full compliance with the Robinson Patman Act.

**7. Extra Charges** – No additional charges of any kind, including charges for boxing, packing, packaging, cartage, storage, insurance or other extras will be allowed unless specifically agreed to in writing in advance by Buyer.

**8. Cancellation** – Buyer reserves the right, at any time and from time to time without cause, to cancel all or any part of the undelivered portion of this Purchase Order by notice to Seller. In the event of such cancellation, Buyer shall not be liable to Seller for loss of anticipated profits. The provisions of this paragraph shall not limit or affect Buyer’s right to terminate this Purchase Order for default of Seller.

**9. Compliance with Applicable Law** – This Purchase Order is placed by Buyer with the understanding, and, in accepting the same, Seller warrants that it shall comply with all federal, state and local laws, regulations, rules and ordinances including those pertaining to noise, pollution and safety standards applicable to the manufacture and sale of the goods and services ordered hereby and the performance hereof. Seller further warrants that any equipment furnished pursuant to this Purchase Order will meet existing federal and state noise, pollution and safety standards. Seller further agrees to abide by existing federal and state laws, regulations, rules and ordinances pertaining to non-discrimination and fair labor standards.

**10. Release** – Seller waives all claims, demands, actions, causes of actions, suits and proceedings against Buyer for, and releases Buyer from all liability or responsibility of any kind arising from, the death of or injury to persons or loss or damage to property sustained in connection with the performance of this Purchase Order unless and except to the extent caused by the intentional misconduct of Buyer or its employees acting within the scope of their employment.

**11. General Indemnity** – Seller assumes the risk of all damage, loss, cost, and expense, and agrees to indemnify, defend and hold harmless Buyer, its affiliates and customers, and all of their respective directors, officers, agents, employees successors and assigns (collectively, the “Buyer Indemnified Parties”), from and against any and all liability, damage, loss, cost and expense which may accrue to or be sustained by any Buyer Indemnified Party

on account of any claim, suit or action made or brought against any Buyer Indemnified Party for the death of or injury to persons or destruction of property involving Seller, its employees, agents and representatives, sustained in connection with performance of this Purchase Order, arising from any cause whatsoever unless and except to the extent caused by the intentional misconduct of Buyer or its employees acting within the scope of their employment.

**12. Patent Infringement** – Seller will indemnify and hold harmless the Buyer Indemnified Parties from and against any and all liability, damage, loss, cost or expense which may accrue to or be sustained by any Buyer Indemnified Party on account of any claim, demand, suit, action or proceeding made or brought against any of them for actual or alleged violation, infringement or misappropriation of any patent, copyright, trademark, trade secret or other intellectual property right arising out of, relating to or resulting from the manufacture, sale, resale or use of any goods furnished hereunder or any part thereof, and Seller will defend any such claim, suit, action or proceeding at Seller's expense, and Buyer (and any Buyer Indemnified Party against whom any such claim, suit, action or proceeding is brought) may be represented by its own counsel in connection with any such claim, suit, action or proceeding.

**13. Force Majeure** – Buyer shall not be in default of this Purchase Order or liable to Seller for failure of Buyer to take delivery hereunder, or delay in taking shipments, if occasioned by fire, explosion, flood, earthquake, war, riots, insurrection, civil disturbance, accident, storm, interruption or delay in transportation, shortages, strike or other labor dispute, inability to obtain materials and supplies, acts of government, any act of God, or any other causes of like or different character beyond Buyer's control. At Buyer's option, the total quantity covered by this Purchase Order may be reduced by the amount of omitted shipments or the specified delivery period extended by a time equal to that during which shipments shall be so omitted and such shipments made during the period of extension.

**14. Assignment** – This Purchase Order and Seller's duties hereunder may not be delegated or assigned by Seller without Buyer's written consent, and any assignment attempted without such consent shall be null and void and shall effect, at Buyer's option, a cancellation of all of Buyer's obligations hereunder. Buyer may assign this Purchase Order and its interest therein to any affiliate or successor without the consent of Seller.

**15. Entire Agreement** – These Purchase Order Terms and Conditions contain the final and entire agreement of the parties hereto with respect to the sale and purchase of the goods and services and all other transactions contemplated herein and, supersede all prior or contemporaneous discussions, negotiations, agreements or understandings, whether written or oral, between the parties hereto relating to the subject matter hereof. These Purchase Order Terms and Conditions may be changed, amended, modified, revised or supplemented only by a written instrument signed by an authorized manager or officer of Buyer.

**16. Conflict with Applicable Law; Severability** – In the event any provision of these Purchase Order Terms and Conditions or the application thereof to the parties shall be finally determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such provision shall be deemed severed and deleted from these Purchase Order Terms and Conditions and replaced with a provision that is valid, legal and enforceable to the fullest extent of applicable law and the validity, legality and enforceability of the remaining provisions of these Purchase Order Terms and Conditions and any other application thereof to the parties shall not in any way be affected or impaired thereby.

**17. Interpretation** – This Purchase Order shall be governed by and construed according to the laws of the State in which Buyer is located without regard to its conflicts of laws provisions. The application of the United Nations Convention on Contracts for the International Sales of Goods (1980) is excluded.

**18. Conflict Minerals** – Supplier must provide material that is "DRC conflict free" as defined by applicable SEC rules. Any required conflict mineral content must be from recycled or scrap sources or originate from outside of the DRC Covered Countries. Material that contains conflict minerals that originated in a DRC Covered Country will be deemed non-conforming and unacceptable.

**19. Counterfeit Product** - It is Buyer's policy to purchase Product(s) only from Approved Suppliers. The following definitions apply to this clause: "Counterfeit " means parts or materials that are or contain unlawful or unauthorized reproductions, substitutions, or alterations that have been knowingly mismarked, misidentified, or otherwise misrepresented to be an authentic, unmodified product from the original manufacturer, or a source with the express written authority of the original manufacturer or current design activity, including an authorized aftermarket manufacturer. Unlawful or unauthorized substitution includes used Work represented as new, or the false identification of grade, serial number, lot number, date code, or performance characteristics. "Suspect Counterfeit Product" means product or material for which credible evidence (including, but not limited to, visual inspection or testing) provides reasonable doubt that the product or material is authentic.

Seller shall not deliver Counterfeit materials or Suspect Counterfeit Product to Buyer. Seller shall maintain counterfeit risk mitigation processes in accordance with industry recognized standards and common practices. Seller shall immediately notify Buyer with the pertinent facts if Seller becomes aware that it has delivered Counterfeit materials or Suspect Counterfeit Product. When requested by Buyer, vendor shall provide documentation that authenticates traceability of the affected items. Seller, at its expense, shall provide reasonable cooperation to Buyer in conducting any investigation regarding the delivery of Counterfeit materials or Suspect Counterfeit Product.

In the event that materials delivered under this Contract constitute or include Counterfeit materials, Seller shall, at its expense, promptly replace such Counterfeit materials with genuine materials conforming to the requirements of this Contract. Notwithstanding any other provision in this Contract, Seller shall be liable for all costs relating to the removal and replacement of Counterfeit materials, including without limitation Buyer costs of removing Counterfeit materials and any testing necessitated by the replacement of materials after Counterfeit materials has been exchanged. The remedies contained in this paragraph are in addition to any remedies Buyer may have at law, equity or under other provisions of this

**20. Quality Management System** - The Seller must have a working Quality Management System (QMS). The Buyer encourages the Seller to become ISO 9001 / AS 9100 compliant and reserves the right to audit (given advanced notice) the Seller on a yearly basis for performance issue(s). The Seller agrees to meet the following stipulations when applicable:

- a. The Seller shall make available a copy of their Quality Management System or processing certifications to the Buyer upon request. Any changes to the certifications such as change of the registrar, update, withdrawal, or disapproval must also be forwarded to the Buyer immediately.
- b. The Purchase Order must be performed by qualified personnel pursuant to Section 21.

- c. The Buyer reserves the right to review and approve the Supplier's QMS.
- d. The Seller is required to retain all records related to this Purchase Order, including evidence of the quality of any items supplied (manufacturing, assembly, inspection, physical/chemical test reports, test and special process records and material certification records) for a period of seven (7) years after the final payment. Records shall be made available to the Buyer upon request and at no additional charge.
- e. The Buyer, its customers and regulatory authorities retain the right of access and inspection to all Seller's facilities involved in the Purchase Order and to all applicable records.
- f. To ensure product identification and traceability, the Buyer requires material certificates of conformity or supporting documentation from the Seller as is appropriate.
- g. The Buyer or its customer may issue a corrective action request to the Seller if a product or process non-conformance is identified. The Seller agrees to take appropriate and timely action to respond to the correction action request with an acceptable corrective action plan, subject to Buyer approval, and to implement the required corrective actions. When the Seller does not provide a timely or effective corrective action plan, the Buyer will take appropriate measures including, but not limited to, termination for default, withholding payment, or removing Seller from the Buyer's approved supplier list, as appropriate and solely at the Buyer's discretion.
- h. The Seller shall notify the Buyer of any process or product changes, services, supplier changes or manufacturing facility location changes that could affect the quality of the product supplied in the contract and obtain approval as required. Changes of suppliers and changes of manufacturing facility locations must be approved by the Buyer prior to implementation.
- i. The Seller shall prevent the use of Counterfeit parts as provided under Section 19.
- j. The Seller shall flow down all applicable QMS requirements to sub-tier suppliers. The Seller's sub-tier suppliers are responsible to comply with the same specifications and requirements specified on the Purchase Order. The Buyer reserves the right to review all documentation supporting qualification of Seller or Seller's sub-tier suppliers.
- k. The Seller will ensure delivered product is controlled in a manner that will prevent foreign objects (FOD) from being introduced into the final product.

This clause shall not apply in cases where Buyer is procuring a Seller's standard item.

**21. Awareness** - The Seller shall ensure that persons doing work under the Seller's control are aware of the Quality Policy, relevant Quality Objectives, their contribution to the effectiveness of the quality management system, including the benefits of improved performance, the implications of not conforming with the quality management system, relevant quality management system documented information and changes, their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

**22. Limitation of Liability** – IN NO EVENT OR CIRCUMSTANCE WHATSOEVER SHALL BUYER BE LIABLE FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR SPECIAL DAMAGES OF ANY TYPE OR NATURE EVEN IF BUYER HAS REASON TO KNOW OF THE POSSIBILITY OF SUCH DAMAGES. BUYER'S TOTAL LIABILITY ARISING OUT OF OR IN ANY WAY RELATED TO THE PURCHASE ORDER, WHETHER BASED IN CONTRACT, WARRANTY, TORT (INCLUDING NEGLIGENCE AND/OR GROSS NEGLIGENCE), STRICT LIABILITY, OR ANY OTHER CAUSE OF ACTION, SHALL IN NO EVENT EXCEED THE PURCHASE PRICE FOR THE GOODS OR SERVICES TO WHICH SUCH LIABILITY RELATES.

**21. Waiver** – Any waiver of these Purchase Order Terms and Conditions, to be valid or binding, must be in writing and signed by the party against which it is to be enforced, and shall not constitute a continuing waiver of any other breach or default, and payment by Buyer with knowledge of any breach or default shall not constitute such waiver. No omission or delay by either party in exercising any right, power or privilege shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or privilege preclude any other or further exercise thereof or exercise of any other right, power, or privilege.