CONTROLLED DOCUMENT - TERMS AND CONDITIONS OF SALE

TERMS AND CONDITIONS OF SALE ROLLED ALLOYS - CANADA, INC. (Seller)

- 1. CONDITIONS AND LIMITATIONS No order is binding on Seller and no contract is formed until Seller's formal acknowledgment of the order on Seller's own form is sent to Buyer. All orders are accepted by Seller subject to these terms and conditions. Acceptance of Buyer's order is limited to the express terms contained on the face and on the back hereof. Additional or different terms in Buyers Purchase Order or any attempt by Buyer to vary in any degree any of the terms of this acceptance shall be deemed material and are objected to and rejected. Any specific terms or conditions noted on the face of Seller's acknowledgement on which this order is based are incorporated herein by reference, and made a part hereof as though specifically set forth herein. Buyer shall not assign this order or any interest herein or any right hereunder without Seller's prior written consent. These terms and conditions will not be amended, modified, or rescinded except by written agreement signed by an authorized representative of each party expressly referring hereto.
- **2. ERRORS** Stenographic or clerical errors herein are subject to correction.
- 3. PAYMENT TERMS Contingent upon credit approval, our standard terms are ½ of 1% 10 days, Net 30 days from date of invoice. Discount is allowed on merchandise only and cannot be applied to taxes owing. Customer agrees to pay reasonable costs and expenses should legal recourse become necessary, including all attorney fees and costs incurred to enforce and procure payment.
 - **3A CREDIT CARD PAYMENT** Credit Cards are accepted in Canadian funds only and only at time of order entry. Any payment variance due to standard random allowance will be processed on the same card at time of invoicing. Discounts are not offered on credit card payments.
- **4. TAXES –** Any tax, or other governmental charge, or increase thereof, upon the sale, and/or shipment of the products sold, whether by federal, provincial, or municipal authorities, imposed, or becoming effective, on or after the date of Sale Agreement, shall be added to the price then in effect and shall be paid to Seller by Buyer.
- **5. CANCELLATIONS** An order may be canceled by Buyer only upon written request, and written authorization by Seller, and upon payment of a reasonable cancellation fee. The reasonable cancellation fee will be determined by Seller and will reflect, among other factors, the expenses already incurred, and commitments made by Seller, sales and administrative overhead, and profits.
- **6. DELIVERY** Any shipping or delivery schedule is based on best estimate and Seller is not liable for delays beyond scheduled date.
- 7. EXCUSABLE DELAYS/FORCE MAJEURE- The Seller shall not be liable for any failure to perform its obligations hereunder resulting directly or indirectly from or contributed to by acts of God; act of Buyer; act of civil or military authority; priorities; fire; strikes or other labour disputes; accidents; floods or other unusually severe weather, epidemics, war, riot; delays in transportation including freight embargos; or other circumstances beyond the Seller's reasonable control, whether similar or dissimilar to the forgoing.
- WARRANTY Seller warrants, at the time of delivery, that the goods sold under this contract will be free from defects in title and will conform to applicable descriptions and specifications, subject to customary tolerances and variations, for a period not to exceed 12 months from date of shipment. THIS WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Samples supplied pursuant to this order are solely for the purpose of evaluating the suitability of the goods and, as such, the samples are not intended to serve as warranties of any type, either express or implied. If it appears within 10 days from the date of the Buyer's receipt of the goods that they patently did not conform to the foregoing warranty at the time of receipt, or if it appears within 60 days from the date of Buyer's receipt that the goods contained latent defects at the time they were received, and buyer notifies seller in writing within the applicable 10 or 60 day period and before the goods are processed or altered in any way, Seller, at its option, shall either (a) repair or make available to Buyer a replacement of any defective goods, or (b) refund to Buyer the price paid thereof. BUYERS EXCLUSIVE REMEDY for the failure of Seller to furnish material conforming to the aforesaid warranty is expressly limited to the repair, replacement or repayment provided above. SELLER SHALL NOT BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, NOR FOR ANY DAMAGES, EXPENSE OR EXPENSES BEYOND THE ACTUAL COST OF REPAIR OR REPLACEMENT OF GOODS UNDER THIS WARRANTY. OR THE PRICE FOR SUCH GOODS, WHICHEVER IS LESS. No agent, employee or representative of the Seller had any authority to bind the

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- Seller to any affirmation representation or warranty concerning the goods and unless an affirmation, representation or warranty made by an agent, employee or representative is expressly included in this proposal, it shall not be enforceable to Buyer.
- 9. PATENTS Seller shall defend and save harmless Buyer from any judgment for damages and/or costs which may be rendered against Buyer in any suit brought against Buyer on account of the infringement of any United States patent by any goods supplied by Seller hereunder, provided that Buyer promptly notifies Seller of the commencement of any such suit and authorizes Seller to settle or defend such suit as Seller may see fit, and provided further that Buyer renders every reasonable assistance which Seller may require in defending any such suit. The foregoing states the entire liability of Seller for patent Infringement. In no event shall Seller be liable if the infringement is based on the use of the goods for a purpose other than that for which they were sold by Seller, or based on a combination of the goods sold hereunder with other products or parts, or if the goods sold hereunder are to be prepared for manufacture according to Buyer's specifications. If the goods sold hereunder are to be prepared for manufacture according to Buyer's specifications, Buyer shall indemnify Seller against any claims or liability for patent or trademark infringement on account of such preparation or manufacture.
- **10. NUCLEAR EXCLUSION** In the event that Seller's products are to be used directly or indirectly in or with any facility in which nuclear fuels or radioactive products or material are used, produced, processed, stored, transported or handled in any way (a Nuclear Facility), the following additional terms and conditions set forth in this Paragraph 10 shall also apply.
 - a) Any product repaired or replaced hereunder whether under warranty claim or otherwise, shall be decontaminated without cost to Seller to the extent necessary to permit Seller to affect such repair or replacement.
 - b) Buyer agrees to defend, indemnify and hold harmless Seller from and against (1) all claims of loss of or damage to real and personal property, including damage to any Nuclear Facility, and (2) all claims for personal injury, including personal injury to employees of any Nuclear Facility, arising out of any and all nuclear energy and radiation hazards or out of nuclear incidents.
 - c) With respect to any property damage and public liability, insurance carried by Buyer will secure from the insurance carrier or carriers waivers of all rights of recovery and subrogation against Seller, and Buyer agrees to defend, indemnify and hold harmless Seller from and against all claims which may be asserted against Seller by such insurance carrier or carriers.
- 11. STATUTE OF LIMITATIONS Any cause of action arising from this order, or its breach must be commenced within one year after the cause of action has occurred.
- **12. ENTIRE AGREEMENT: ASSIGNMENTS** This order, together with any documents referred to on the face hereof, constitutes the entire agreement between the parties and can only be modified by a writing signed by both parties. No part of this order may be assigned or subcontracted without the prior written approval of Seller.
- **13. FRAUD AND FALSIFICATION** Note: The recording of false, fictitious, or fraudulent statements or entries on this document may be punishable as a felony under Federal Statute.
- **14. GOVERNING LAW –** This Agreement and any claim, dispute or conflict related to or arising under this Agreement, shall be governed by, and construed and interpreted in accordance with, the laws of the Province of Ontario.
- 15. FOR PRODUCTS SHIPPED WITHIN THE UNITED STATES Should the products sold, or to be sold by the Seller to the Buyer, are being delivered to the Buyer within the United States and the Buyer elects to export the product or products, Buyer is responsible for complying with any applicable export requirement. The buyer represents and warrants that it understands and accepts the responsibility for obtaining any and all export licenses and complying with the United States export-related laws and regulations. Buyer will indemnify and hold Seller harmless against any claims asserted against, or costs of damages incurred or paid which arise or result from Buyer's failure to comply with applicable export-related laws and regulations.

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