

**TERMS AND CONDITIONS
FOR PURCHASES BY
THE FEDERAL METAL COMPANY**

1. These terms and conditions constitute an Offer to Purchase by The Federal Metal Company ("FMC") and are not an acceptance of any offer or terms which may have been submitted by Seller. Seller may accept this Offer to Purchase either by execution of the acknowledgment copy of the order set forth, or acceptable electronic transmission, or other expression of acceptance including shipment hereunder. Upon acceptance, this order shall constitute the entire agreement between the parties (except for any additional warranties given by Seller), superseding any and all previous or contemporaneous communications and negotiations. Unless specifically agreed to in writing by FMC, signed by a duly authorized representative of FMC, no additional or different term or condition (except additional warranties given by Seller) of any quotation, acknowledgement, invoice or other form supplied by Seller shall become part of the contract, notwithstanding FMC's failure to specifically object to such terms or conditions. The contract resulting from the acceptance of this order shall be construed and interpreted in accordance with the laws of the State of Ohio. Any controversy or claim arising out of or relating to this contract, the acceptance of it, and any alleged breach thereof, shall be considered a contract made in the State of Ohio and shall be governed by the laws thereof. The exclusive forum for deciding any disputes shall be a court in the State of Ohio, Cuyahoga County. The prevailing party in any controversy or claim hereunder shall be entitled to recover its reasonable attorneys' fees and costs.
2. It is a condition of this contract that the Seller on its own behalf and on behalf of its subcontractors certifies that it and they have complied with all of the provisions of all applicable federal, state and local laws and of all rules, regulations and orders issued thereunder, in the manufacture or production and sale of the material specified herein, unless this transaction is exempt under applicable regulations.
3. If an F.O.B. point is not specified in this contract, the price stated is F.O.B. delivered to the consignee. Regardless of the point of delivery, all material shall be received subject to the acceptance of the ultimate consumer, with the weights and grading of that consumer to govern. Rejected material remains Seller's property at his risk and subject to his disposition. Rejected shipments may be replaced at FMC's option.
4. In the event of non-conformity, non-delivery, partial delivery, or late delivery of the quantity specified in this contract, FMC may at its option (i) cancel this contract; (ii) replace the material in the open market after due notice and within a reasonable time and recover from Seller the difference between the market price of the material at the time of replacement and the contract price, and (iii) obtain any other remedy or relief provided by law including, but not limited to, the right to a setoff against any amount Seller is due from FMC or its affiliate companies on any Purchase Contract or otherwise, provided, however, that written notice of such non-conformity, non-delivery, partial delivery, or late delivery is provided to Seller. Deliveries in excess of those authorized by FMC shall be at Seller's risk of loss, may be returned to Seller or disposed of by FMC without incurring any liability to Seller and Seller shall pay FMC for all expenses, including transportation expenses, in connection with such deliveries. Neither party shall be liable for any delay or failure of performance due to causes beyond their reasonable control or the control of their subcontractors, including, but not limited to, force majeure, acts of God, acts of civil or military authorities, fire, labor strikes, power surges or outages, epidemics, quarantine restrictions, flood, natural disasters, riot, war, delays in transaction or inability to obtain necessary labor, materials or supplies or any cause which renders Seller's performance commercially impractical under Section 2-615(a) of the Uniform Commercial Code, as amended, provided that it shall have given notice to the other party of any such cause for delay or anticipated delay reasonably following the commencement thereof. In the event of a delay for any of the foregoing reasons and if requested by FMC, the Seller shall, immediately upon receipt of the notice from FMC, hold up delivery until further notice from FMC, regardless of whether such hold extends beyond any delivery date specified in this contract. Upon receiving further notice from FMC, the Seller shall promptly make delivery of the material specified in this contract. If Seller fails to make delivery within a reasonable time, which in no event shall be later than 30 days, Seller shall be responsible to FMC for all loss incurred by FMC as a result of a change in the market price for the material purchased hereunder from Seller by FMC.

5. Seller represents and warrants that the material to be delivered by Seller conforms to the description of the material on the face of this Purchase Order and that the material does not contain any nonconforming or foreign substances. The Seller shall indemnify and hold harmless FMC and the consumers of this material from and against any and all claims, demands, causes of action, actions, liabilities, losses, damages and expenses, including attorneys' fees (including without limitation actual, general and special damages for injuries or damage to any person or property) arising out of the failure of the material to conform to the description on the face hereof, or arising out of the presence of nonconforming or foreign substances in any material. In no event shall Seller be liable for incidental or consequential damages of any kind whatsoever, including but not limited to, loss of profits or revenue.

6. Notwithstanding any other warranty or limitation of warranty herein, Seller warrants that the material to be delivered under this contract does not contain any "hazardous substance," as that term is defined in § 101(14) of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 6901(14), except those "hazardous substances" which are integral constituents of the metallic fraction of the scrap metal. Seller further warrants that the material contains no radionuclides or radioactive materials. Seller will indemnify and hold FMC and its customers harmless from any and all claims, demands, causes of action, actions, liabilities, losses, damages and expenses, including attorneys' fees, resulting in whole or in part from a breach of the foregoing warranties. If the material is rejected because of the presence of hazardous substances, radionuclides, or radioactive materials, FMC shall have no responsibility for or title to the rejected material. Seller shall have sole responsibility for, and shall ensure, proper management of the material to prevent any release or threat of release of any such hazardous substances, radionuclides, or radioactive materials to the environment. Unless Seller makes other arrangements, Seller shall return all such rejected material to its point of origin at Seller's expense. If Seller refuses to remove the rejected material, FMC may return it to its point of origin at Seller's expense, or may otherwise manage the material and arrange for its disposal at Seller's expense. Seller agrees to assume any and all liability for such shipment or management, and any and all liability resulting from return or disposal of rejected material.

7. Subject to (i) the effect of any applicable bankruptcy, insolvency or similar law affecting creditors' rights generally, and (ii) the effect of general principles of equity, including, without limitation, concepts of materiality, reasonableness, good faith and fair dealing, if Seller becomes insolvent or has a business failure or commits an act of bankruptcy, or is adjudicated bankrupt or if at any time FMC reasonably believes that Seller may fail to perform for one of the above reasons, or if Seller has failed to perform completely any other contract with FMC, then FMC may cancel this contract without liability.

8. If the purchase includes delivery to FMC of materials subject to processing or melting or other similar charges as reflected on the purchase order, FMC shall have a right to set-off said charges against any amount Seller is due from FMC.

9. Upon FMC's request, FMC and Seller will facilitate business transactions by electronically transmitting data. Any data electronically transmitted pursuant to this contract will be as legally sufficient, binding and enforceable upon the parties as a written signed paper document exchanged between the parties, notwithstanding any legal requirement that the data be in writing or signed. To the extent required by FMC, each authorized representative of a party will adopt a unique verifiable digital identification consisting of symbols or codes to be transmitted with each electronic transmission and the use of such digital identification will be deemed for all purposes to constitute a "signature" and will have the same effect as a signature on a written document.

10. No assignment of this contract shall be made without prior written consent of the other party.

11. FMC's failure to require Seller's performance of any obligations hereunder shall in no way affect its rights to require such performance at any time thereafter.

12. The invalidity or unenforceability of any term of this contract shall not affect the validity and enforceability of the remainder of this contract or any of its other terms, and such other terms shall be construed as though such invalid or unenforceable term was not included herein.