

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

1. This document constitutes the entire contract and contains all of the agreements of The Federal Metal Company ("FMC") and Buyer. All prior written or oral representations, promises, conditions or statements, expressed or implied, are merged herein. These terms and conditions may not be waived, varied or changed, nor are additional or different terms added by the Buyer acceptable except as consented to in writing signed by an authorized representative of FMC. Buyer's acceptance is expressly limited to these terms and conditions, notwithstanding any provision contained in Buyer's forms. This contract shall be governed by and construed in accordance with the laws of the State of Ohio. Any lawsuit brought by Buyer arising out of the transactions covered hereunder shall be instituted in a court sitting in the State of Ohio, Cuyahoga County, and Buyer further submits itself to the jurisdiction of said Court in the event FMC elects to institute any action in said Court. The prevailing party in any lawsuit brought hereunder shall be entitled to recover its reasonable attorneys' fees and costs.

2. FMC warrants that the material covered by this contract shall conform to the commercial grade of material specified in writing by Buyer and agreed to in writing by FMC hereunder. IN ALL OTHER RESPECTS THE MATERIAL IS SOLD "AS IS." FMC MAKES NO OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Buyer assumes all risk of patent infringement by reason of any use Buyer makes of the material in combination with other material or in the operation of any process. In no event shall either party be liable to the other for incidental, consequential or special damages. Seller's sole obligation under this warranty shall be at its option to repair or replace any Product or part thereof which proves to be other than as warranted, provided that written notice of the alleged defect shall have been given by Buyer to Seller prior to thirty (30) days from the date of shipment to Buyer. This warranty does not extend to any Products or parts thereof which have been the subject of misuse, accident or neglect. Any course of action for breach of the foregoing warranty shall be brought within one (1) year from the date the alleged breach was discovered or should have been discovered, whichever occurs first, or it shall be forever barred.

3. Buyer is responsible for verifying the description and condition of the material unless otherwise agreed between the parties in writing. Time is of the essence. Any claim of nonconformity with respect to the material or its shipment or delivery is waived unless made in writing by Buyer to FMC specifically stating the details of such nonconformity within a reasonable time not exceeding forty-eight (48) hours after Buyer receives the material. FMC shall be given the opportunity to confirm by its (or its representatives') inspection the complaint of the Buyer. If in FMC's opinion after such inspection the complaint of Buyer is valid, or if it elects not to inspect, it shall thereupon have the right either to replace such material within a reasonable time with other material meeting the agreed specifications or to cancel the sale, and FMC shall in either event thereupon have the right to require the return of the original shipment at its cost. Material must be held intact subject to FMC's disposition. All products shipped under this Agreement shall be subject to Seller's usual tolerances as to quantity. Unless Seller received written notification of variances within sixty (60) days of the invoice date, the invoiced quantity shall be conclusive.

4. Acceptance by Buyer of each shipment or portion thereof shall constitute a separate contract with respect to the amount thereof. FMC may recover for each shipment or portion hereunder as a separate transaction without reference to any other shipment or portion. FMC shall not be liable for any delay or failure of performance due to causes beyond the reasonable control of Seller or its subcontractors, including, but not limited to, force majeure, acts of God, acts or omissions of Buyer, 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 FMC shall have given notice to Buyer of any such cause for delay or anticipated delay reasonably following the commencement thereof. If FMC agrees to delay shipments at request of Buyer, FMC shall be given a reasonable extension in the shipment or delivery time herein specified, not to be less than the period of such delay.

5. Buyer warrants that Buyer is in substantial compliance with the substantive provisions of any and all applicable federal, state and local environmental laws or regulations and any related compliance orders (including any decrees issued pursuant thereto) which are applicable to the handling, processing or reclamation of (or other management activities associated with) recyclable materials.

6. Upon FMC's request, FMC and Buyer will facilitate business transactions by electronically transmitting data. Any data electronically transmitted pursuant to this section 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 use of such digital identification will be deemed for all purposes to constitute a "signature" and will have the same effect as the signature on a written document.

7. No assignment of this contract shall be made without prior written consent of FMC.

8. Seller may immediately cancel the credit or terminate this Agreement without notice to Buyer if Buyer (i) makes an assignment for the benefit of creditors, (ii) becomes insolvent or is otherwise unable to pay its debts in the ordinary course of business, or (iii) is the subject of voluntary or involuntary proceedings in bankruptcy, or under any other insolvency or similar law, or for corporate reorganization or for receivership. Also, if Buyer fails to make payment for material delivered as herein provided, FMC shall have the right to set-off against any amount Buyer is due from FMC.

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

10. Liability for all taxes, excises or other charges imposed by any local, state or federal authority which have to do with or affect the material herein ordered (except those based on the income of FMC) shall be assumed and paid by Buyer. Buyer further agrees to indemnify and protect FMC against any and all such liabilities for taxes as well as any legal fees or costs incurred by FMC in connection therewith.

11. If any of the purchase price is not paid in full when due, Buyer shall pay a late charge on the amount unpaid for each day from the due date until paid in full at a rate per annum at all times equal to 5% above the prime commercial lending rate during the period from due date until paid as published from time to time in the *Wall Street Journal*, provided however that nothing herein shall require the payment of any amount in excess of the maximum amount permitted by law. Late charges shall be on demand.

12. FMC may at its option and expense, purchase credit insurance on the Buyer for any or all contract(s) entered into with FMC. If credit insurance cannot be obtained in an amount equal to the contract(s) entered into or if credit insurance is denied, cancelled or reduced by the insuring company, FMC may at its option cancel any or all contracts with Buyer, or adjust any or all contracts to coincide with the amount of credit insurance available to FMC.

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