



## TERMS & CONDITIONS

- (1) Purchaser must issue a purchase confirmation to comply with all State and Federal Laws. However, failure to comply with this provision will not void the contractual agreement. All blanket purchase orders are non-cancellable if material has already been produced, is in-process or being held in our warehouse. Purchaser is liable for all costs incurred on their behalf for a blanket purchase order. Upon termination of a blanket purchase order for any reason, Purchaser is required to repurchase any inventory held specifically for Purchaser which cannot be sold to other customers of Seller within 30 days. The purchase price shall be Seller's cost of the inventory, plus 15%. Purchase orders that are not yet in process may be cancelled on five business days notice upon payment of a 10% termination fee.
- (2) Shipping tolerance is plus/minus 10 percent of the ordered quantity for bar products and plus/minus 20 percent for coil products unless otherwise specified and agreed upon, in writing, at time of contract. No returns accepted without authorization and all returns are subject to a 20% restocking fee, unless such return has been authorized by the supplier as a result of the supplier's error.
- (3) Our sales are made pursuant to our terms and conditions. In the event we receive a document that differs and/or limits acceptance of our terms and conditions, our terms are considered as a counteroffer, accepted when the buyer accepts shipment of any material provided by Michlin Metals.
- (4) **SELLER MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED AS TO GOODS SOLD OR SERVICES RENDERED AND SPECIFICALLY DISCLAIMS AND EXCLUDES ANY AND ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. Seller will assign any transferable warranties received from its supplier, and Purchaser's rights are limited to any rights it may have pursuant to the supplier's warranty.**
- (5) **The warranties and remedies in this Agreement are exclusive of all others. In no event shall Seller be liable to Purchaser for indirect, incidental, consequential or punitive damages of any kind, regardless of the form or basis of the claim. In no event shall Seller's liability for any loss, claim or breach of contract exceed the actual amount paid by Purchaser for the affected product.**
- (6) Any claims for shortage or defective material must be made within 5 days from receipt of goods. Purchaser must hold material for Seller's, or its supplier's inspection once claim is made. The Purchaser is not to return the material without the Seller's consent. After inspection, Seller will coordinate with the supplier to arrange for the disposition or return of the material in question. Seller cannot be held responsible for damages other than for the replacement of, or credit of the material itself, to the extent credit or refund is received from Seller's supplier. Duty of immediate inspection shall be the responsibility of the Purchaser. Failure of the Purchaser to inspect the delivered goods within the 5 day period shall constitute waiver of Purchaser's rights for non-conformance, defects, shortages, or other material variations and shall be deemed an acceptance of the goods. Such liability on the part of the Seller will expire unless claim is submitted within 5 days.
- (7) Shipments and deliveries shall be at all times subject to the approval of the Seller's Credit Department, and in the event that the Seller has any doubt as to the Purchaser's financial ability to make payment, the Seller may decline to make shipments or deliveries pending receipt of satisfactory security or of cash before shipment.
- (8) Title to materials sold, whether sold F.O.B. Seller's Warehouse or otherwise, shall remain with the Seller until the purchase price has been paid in full, provided, however, that risk of loss passes at Seller's warehouse and Seller has no liability or responsibility for any damage to materials in transit, or for any delay in transit of the materials.
- (9) If Purchaser does not make payment in accordance with terms and provisions of this or any other sale by the Seller to the Purchaser, the Seller in addition to its rights and remedies, but not in limitation thereof, may, at its option, cancel this sale, or any other unfulfilled sale to the Purchaser or defer shipments or deliveries otherwise due to the Purchaser until such payment is made.
- (10) Time is of the essence of this sale and if Purchaser fails to furnish shipping instructions or otherwise cause shipment to be postponed over 30 days, the Seller may, at its option, cancel this sale without notice and may charge Purchaser with loss incurred due to resale.



- (11) Delivery schedules are made in good faith subject, however, to delays or conditions beyond the Seller's reasonable control. Late delivery due to the following, as well as all others beyond Seller's control, will not cancel the order: fire, flood, and other Acts of God, strikes, lockouts, or other differences with employees, wars, riots or embargo delays, mill conditions, shortages of transportation, or non-delivery by the suppliers or compliance with any Federal or State law or administrative regulation issued thereto.
- (12) The purchaser certifies that when the material mentioned is purchased for resale, purchaser agrees to hold Seller free of any sales, use or other tax liability unless otherwise stated in writing.
- (13) IN THE EVENT OF FAILURE ON THE PART OF THE PURCHASER TO FULFILL THE TERMS INDICATED, THE PURCHASER SHALL BE RESPONSIBLE TO THE SELLER FOR (A) 1 ½ % PER MONTH ON PAST DUE BALANCES OVER 90 DAYS AND (B) THE SELLER'S DAMAGES, COSTS, AND EXPENSES INCLUDING REASONABLE COST OF COLLECTION AND/OR REPOSSESSION, ATTORNEY'S FEES AND (C) THE LOSS ON RESALE IF REPOSSESSION IS NECESSARY.
- (14) This order and any contract resulting here from shall be construed and enforced in accordance with and governed by the laws of the State of Illinois, without reference to any choice-of-law rules that would otherwise require the application of the laws of any other jurisdiction. The state and federal courts of Illinois shall have exclusive jurisdiction of any matters arising out of or related to this Agreement and any transactions entered into pursuant to this Agreement. Each party consents to the jurisdiction of such courts and waives any and all defenses to such jurisdiction, including without limitation, forum non conveniens . Service of process shall be valid if made by certified mail to the address and contact of the party for normal business communications, or to such other address prescribed by a party. The United Nations Convention on Contracts for the International Sales of Goods shall not apply to this order.