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Iron & Steel Scrap Specifications Manual Sales, Terms, and Conditions

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Iron & Steel Scrap Specifications Manual Sales, Terms, and Conditions

INTRODUCTION

Steel Dynamics, Inc. – Flat Roll Group, Butler Division wishes to consistently provide the highest quality Ferrous Scrap Commodities and Alternative Iron units to our melt shop through global sourcing and procurement. You, our VALUED SUPPLIERS, play an integral role in our success. In order to pay competitive prices for raw materials and meet the quality demands of finished product by our customers, it is imperative that the quality of the raw materials purchased is of a high standard and delivered in a timely manner to the mill. Loose bundles, oversized, or non-conforming chemistry scrap (against the mill specification hereunder), are unfavorable to be used in a high quality finished product.

This raw materials manual is to assist in educating our suppliers of what we deem to be acceptable quality and standards in each raw material commodity. Your efforts in applying these standards will help ensure a long continuing relationship with supplying raw materials for our mill. Please be ensured that the personnel involved in the purchasing, receiving, grading or unloading of raw materials are trained in their respective areas and are taught to be 'FAIR AND CONSISTENT" for all of our customers.

The standards used in this manual are derived from the Institute of Scrap Recycling Industries' (ISRI) specifications and have been modified to meet the needs of our melt shop in Butler.

Thank you for being a VALUED SUPPLIER and if you have any questions regarding the Raw Materials Specification Manual, please feel free to contact me or the SDI Butler Scrap Department for further clarification.

Dominic Capito Purchasing Agent

GENERAL TERMS AND CONDITIONS



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- The Purchasing of Iron & Steel Scrap is handled by the Purchasing Agent and can be contacted at 260-868-8000.
- 2. Prices are quoted for each commodity primarily at the beginning of each month. Steel Dynamics reserves the right to cancel any and all unfulfilled contracts on the last day of the calendar month at 5:00 P.M. EST. A purchase contract with a corresponding purchase order number will be issued for specific grades and quantities to be delivered within a specified period of time. Balances remaining on any purchase order not shipped by the specified completion date may be cancelled or extended at the discretion of the Scrap Procurement Department. All prices are quoted in gross tons and all quantities expressed on the purchase order are in gross tons.
- 3. **Delivery** may be in truckload or rail at agreed upon minimum weights as specified at the time of purchase.
- 4. **Scale Hours** are 24 hours a day seven days a week; closed on December 24th and December 25th each year. Shipments will not be received midnight 9am on the first day of every month.
- 5. Steel Dynamics reserves the right to modify or update the General Terms and Conditions and the Scrap Specifications manual as required.

Trucks - Shipping Guidelines

Shipping Terms: Typically prepaid unless otherwise stated in the purchase order. A rejected truck or partial rejection/reload of a truck may be assessed a \$250 fee.

* If fees are not paid, they will be directly deducted from payment.

For truck safety please refer to Appendix A for additional information regarding towing in case of truck tip-over.

Shipment Period: Material must be shipped by 5:00 P.M. EST the last day of the calendar month stated on the contract. Steel Dynamics reserves the right at its own discretion to review the status of the contract, on the last calendar day of the month in which the scrap was purchased, at which time the contract may be cancelled or continued until the contractual obligation has ended.

Payment Terms: Scrap received 1st-15th of the month shall be paid by the 10th of the following month. Scrap received 16th-end of month shall be paid by the 25th of the following month.

Truck Equipment Requirements:

All scrap must be received in a trailer with a side-hinged rear door. Framed trailers are acceptable for all commodities. Frameless trailers are permissible for shredded, busheling, and pig iron commodity loads only. All truck drivers must be able to operate controls to raise and lower trailers from inside the cab. Truck drivers must have an operational CB radio while onsite. Seller agrees that it shall be solely liable for any and all damages, including any clean up and/or SDI down time resulting from Seller's utilization of any frameless trailers for delivery of the product covered by this Purchase Order. Seller shall be responsible for any costs, attorney fees or any consequential damages incurred by SDI for recovery of the Items due or owed by Seller under this paragraph.

Freight Terms: Prepaid unless stated otherwise in the purchase order. Steel Dynamics weight tickets are the governing weight for invoices.



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Rail - Shipping Guidelines

Shipping Terms: Typically prepaid unless otherwise stated in the purchase order. Shipments arriving at the

mill without shipping notices may be assessed a \$500 fee. A rejected railcar may be

assessed a \$750 fee.

* If fees are not paid, they will be directly deducted from payment.

Failure to notice rejected loads within 24 hours of rejection notice may result in demurrage fees back-charged to the Shipper.

Shipment Period: Material must be shipped by 5:00 P.M. EST the last day of the calendar month stated on the

contract. Steel Dynamics reserves the right at its own discretion to review the status of the contract, at which time the contract may be cancelled or continued until the contractual

obligation has ended.

Payment Terms: Scrap received 1st-15th of the month shall be paid by the 10th of the following month. Scrap

received 16th-end of month shall be paid by the 25th of the following month.

Rail Equipment Requirements:

All railcars must be fully open top railcars with vertical sidewalls and endwalls with horizontal flat bottoms. Unacceptable railcars include v-troughs, belly troughs, or any interior ribs/framing. Scrap may be received in 65 ft length mill gondola cars. Coil gondolas are not accepted.

Freight Terms: Prepaid unless stated otherwise in the purchase order.

Consignee: Steel Dynamics, Butler Division

Rail Station: Butler, IN

Final Rail Carrier: NS or CSX Max Car Limit: 286,000 lbs.

Min Car Limit: Not applicable unless Steel Dynamics is covering the freight, then the GT Min Weight will

be listed.

Steel Dynamics weight tickets are the governing weight for invoices.

Delivery Terms: Shipments will only be received at the Butler mill against purchase orders where supplier enters shipping notices via Steel Dynamics Butler Division website, http://webcres.steeldynamics.com/. If you are not a registered user and need to know how to sign-up for a new account, visit the website for detailed instructions and videos. Please contact the SDI Butler Scrap Department.

Any exceptions to the above must be pre-approved by:

Jackie Perry: <u>Jackie.Perry@steeldynamics.com</u> (260) 868-8131

Rachel Kaiser: Rachel.Kaiser@steeldynamics.com (260) 868-8148

CONTRACTOR AND VISITOR SAFETY GUIDELINES



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- Personal Protective Equipment must be worn onsite. Required equipment include: hardhat, safety glasses or goggles over prescription glasses, safety vests and steel-toed boots or metatarsals.
- Follow all state road laws, speed limits and other traffic controls, such as stop signs and railroad
 crossings and adhere to safe approach and passage distances. Come to a complete stop if your
 view is obstructed by steam or fog.
- Dangerous areas have signage and signals to warn of potential site hazards. Remotely activated signs will notify and warn site travelers not to enter designated areas when lights are flashing.
- Remain aware of audio warning devices trains, auto, mobile equipment back up alarms, overhead cranes, plant start-up etc.
- Heavy equipment has the right of way at all times. Stay at least 40 feet back from all equipment.
 Continually check your surroundings and never position yourself in the blind spots or swing radius of mobile equipment (material handler, pot hauler, etc.). Do not move near equipment that has not acknowledged your presence. Stay out of tipping radius of any trailer that raises its bed to dump.
- Do not park on or near a railroad track. Maintain a clearance of 8 feet from the centerline of the railroad tracks at all times.
- All pedestrian and vehicle traffic is prohibited from going under any conveyor system when the slag plant is operating, due to the hazard of falling material.

QUALITY INSPECTION POLICY

SDI understands that iron and steel by their nature, are unique commodities, and will work with all our Suppliers to ensure our quality specifications and standards are fair and equitable. To complement our Iron and Steel Specifications Manual, SDI has implemented the following:

- A strict inspection procedure. Every truck or railcar which enters our facility will be inspected at our scales, pass through radiation detection, and be inspected by trained inspectors when dumped or unloaded. No raw materials will be received without a purchase order.
- 2. Any loads failing to meet our standards, as outlined, will be rejected. If the load is acceptable scrap, but does not match the intended purchased grade, it will be at the discretion of Steel Dynamics whether to accept the load as a downgrade or to reject the load. The decision will be made, and all persons notified prior to vehicle leaving site. If the load is downgraded, then the Supplier must determine whether to return the load or accept the downgraded price. Ongoing rejections and downgrades are costly and inefficient for both Suppliers and Steel Dynamics.

STEEL SCRAP GENERAL REQUIREMENTS

Commodity: ALL / Grade: ALL



Iron & Steel Scrap Specifications Manual Sales, Terms, and Conditions

Special Definitions:

• **Downgrade**: When a particular grade of scrap is found to not conform to its represented grade, it may, by agreement by SDI-Butler and supplier, be downgraded and accepted as an inferior grade of scrap.

• <u>Free of</u>: When specified to be "free of", the grade shall not contain any amount of prohibited material in any amount greater than that which is unavoidable in the customary preparation and handling of that particular grade.

<u>Free of alloys</u>: Scrap is "free of alloys" if the residual content of the elements listed below, contained within the steel, do not occur at levels consistent with the purposeful creation of an Alloy Steel. The combined residual level, excluding manganese, shall not exceed 0.50%. Element residual levels within the Scrap shall not exceed:

Chromium (Cr) 0.20%
 Nickel (Ni) 0.30%
 Manganese (Mn) 1.5%
 Molybdenum (Mo) 0.03%

- **Grade** or **Type**: A classification of scrap type based upon Institute of Scrap Recycling Industries (ISRI) ferrous scrap classification or SDI-Butler / vendor description.
- Off-grade: A load of scrap shall be considered off grade if it fails to meet:
 - 1. Applicable size limitations
 - 2. Applicable requirements of material "kind"
 - 3. Applicable requirements of material quality

as specified in the material's (grade's) Iron and Steel specification.

• NORM: Naturally Occurring Radioactive Material (NORM) emitting less than 2X background radiation level.

General Specifications:

- <u>Cleanliness</u>: All grades shall be free of dirt, non-ferrous metals, excessive rust and corrosion, oil or grease, foreign material of any kind, and any non-metallic materials (wood, concrete, dirt, fluff, plastics, etc.). Any charges billed to SDI Butler for dunnage left in a railcar may be passed on to the shipper.
- Inspection: All material is to be suitable and acceptable to Steel Dynamics, Inc.
- <u>Loading/Unloading</u>: All grades must be capable of being loaded and unloaded by electromagnet.

Seller's indemnification includes indemnification for delivery under this Purchase Order by means of any frameless trailer. Seller agrees that it shall be solely liable for any and all damages, including any clean up and/or SDI down time resulting from Seller's utilization of any frameless trailers for delivery of the product covered by this Purchase Order. Seller shall be responsible for any costs, attorney fees or any consequential damages incurred by SDI for recovery of the Items due or owed by Seller under this paragraph.

- <u>Cast Iron</u>: Unless specifically purchased as a Cast Iron or Pig Iron grade, all scrap grades shall contain less that 1% (by weight) of cast irons unless otherwise noted in the specification. This includes, but is not limited to, Cast Iron, Pig Iron, composite brake shoes, engine blocks and castings.
- Stainless Steel: All grades shall be free of stainless steel.
- <u>Tin Plate</u>: All grades shall be free of tin-plated materials.
- Residual Alloys: Wherever the term "free of alloys" is used in the classifications given herein, it shall pertain to highly alloyed steels such as stainless or leaded steels.
- Off-grade: The grade shall be free of Off-Grade materials except where the vendor can demonstrate that inclusion of negligible amounts of Off-Grade materials are unavoidable in the customary preparation and handling of the grade involved.



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General Specifications (cont.):

- Hazardous Materials: All grades shall be free of hazardous materials including but not limited to:
 - Asbestos-containing material (typically in brake shoes, pipe insulation, etc.)
 - PCB-containing Material (Polychlorinated Biphenyls) no units containing PCBs or PCB residues
 - Refrigerants or refrigerant-containing materials (e.g. air conditioners or condensers)
 - Explosives, Military-scrap (including ammunition casings), Munitions, Bullets, Military Target Range Scrap
 or other Explosives
 - Ignition Sources, Flammable or Combustible materials
 - Fracking scrap All grades are to be free of gas and oil well perforation tools/piping and all other hazardous materials (e.g.) explosives associated with fracking
 - Hazardous Wastes, Other regulated wastes, and their containers
 - Radioactive materials
 - · Oil-filled devices (e.g. capacitors or transformers) and free-flowing oil (on surface or containerized)
 - Batteries of any type
 - Electronic waste (to the extent practicable)
 - Mercury containing materials including but are not limited to mercury-wetted or -containing relays, switch gear, rectifiers, gauges, manometer, barometers, thermometers, and fluorescent lighting fixtures.
 - Tires or tire pieces of any type
 - Nonmetallic material (wood, paper, fibers, rubbers, foam, fluff, insulation, concrete, dirt, plastic, oils, greases, etc.)
 - Nonferrous materials (electric motors, piping, compressors, wires, brass/bronze castings, copper plate bundles, tin plated materials, lead, etc.)
- Other Prohibited Contaminants: All grades shall be free of prohibited contaminants including but not limited to:
 - Materials that contain free organic liquids include, but are not limited to, oil filters engine blocks, oily turnings, oily machine shop borings, or storage drums or totes.
 - Materials that contain chlorinated plastics include, but are not limited to, consumer products (e.g., carpeting, clothing, foam, furniture, Styrofoam), containers (e.g. bags, bottles, food packaging, packaging materials), or plastic motor vehicle components (e.g. battery casings, bumpers, plastic parts).
 - Lead-containing materials include, but are not limited to lead-based paints, gasoline tanks, mufflers and tail pipes, wheel balancing weights, babbit, solder, radiators, leaded joints in soil pipe, and terne material.
 - Motor vehicle shredded scrap commodity providers must participate in the National Motor Vehicle Switch Removal Program (NMVSRP) or another U.S. EPA-approved mercury switch removal program.
- Radioactive Material: All inbound scrap by truck and railcar is scanned by radiation detection equipment. Scrap shipments found containing radiation sources or NORM that triggers a radiation alarm will be immediately rejected. Under no circumstances shall any radioactive scrap be subject to acceptance through downgrade.
- <u>Sealed Containers</u>: All grades shall not contain Closed, Enclosed, or Sealed containers. Such containers are a serious explosion hazard, which may result in the loss of life, limb, and /or property. Any scrap shipment arriving that is found to contain a closed container will be rejected, and if any vendor fails to address the issue may result in the suspension or termination as an approved scrap supplier to Steel Dynamics Butler. Containers may only be accepted providing they have been processed such that; one end has been removed, a minimum of two large holes broach the "sealed" portion of the container, or the container has been cut in half.
 - Closed, Enclosed, or Sealed Containers include, but are not limited to, hydraulic or gas cylinders, compressed gas cylinders or tanks, oxygen or propane tanks, fire extinguishers, aerosol cans that have not been properly vented or depressurized, or any vessels which contains or retains gases, oils, fluids or pressurized substances, sheared pipe that is not open on both ends, auto/truck drive shafts, shock absorbers, struts, torque converters, gear boxes, conveyor rollers, closed ball valves, etc.
- <u>Deviations</u>: Deviations from the general classifications of iron or steel commodities given herein may be allowed by mutual written agreement between Steel Dynamics Butler and the supplier.



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#1 Busheling

Sizing Dimensions: 60" x 24" maximum

Grade: #1 Busheling

1" x 1" minimum

ISRI #s: 207

Thickness: 1/4" maximum

Minimum Density:

65 lb/ft³

Typical Density:

65 - 80 lb/ft³

DESCRIPTION / TYPICAL CONSTITUENTS

Clean industrial sheet steel scrap, clippings, stampings, punchings, or skeleton scrap that may include black, galvanized and zinc-coated materials. Feedstock may be galvanized or zinc-coated. Tubing feedstock shipped in busheling loads must meet all specifications.

Restrictions

Tangled material may be cause for rejection. Dense busheling is desired over low density "fluffy" busheling that may become tangled. Torch-cut pipe and tubing only (no sheared or pinched pipe).

Prohibitions

Enameled steels, electrical steel, nails, wire, nuts, bolts, screws, tin cans, high alloy steel, structural steel beams, mandrel coils, slitter coils, entangled material / streamers, strapping, torque converters, shock absorbers. Sheared or pinched pipe and tubing.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	s
Minimum wt %	98	97									
Maximum wt %			0.10	0.10	1.50	0.10	0.01	0.03	0.50	0.03	0.05







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Tubing Sizing Dimensions: 3 ft maximum

Grade: #1 Busheling Thickness: 1/4" nominal

ISRI #s: n/a Typical Density: n/a

DESCRIPTION / TYPICAL CONSTITUENTSClean low residual industrial tubing. Tubing thickness may vary nominally above 1/4" but tubing may not be pinched.

Restrictions Torch-cut pipe and tubing only (no sheared or pinched pipe).

Prohibitions Sheared or Pinched pipe and tubing.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	s
Minimum wt %	98	97									
Maximum wt %			0.10	0.10	1.50	0.10	0.01	0.03	0.50	0.03	0.05









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#2 Shredded Sizing Dimensions: 10" maximum in any direction

Grade: #2 Shred Thickness: n/a

ISRI #s: 210, 211 Minimum Density: 55 lb/ft³

Typical Density: 55 - 70 lb/ft³

DESCRIPTION / TYPICAL CONSTITUENTS

Homogeneous shredded steel scrap processed through a shredder and magnetically separated originating from automobiles, appliances, heavy melting steel, and miscellaneous sheet steel. All obvious nonmetallics and copper should be manually removed. Total copper content must not exceed 0.30%.

Restrictions Motor vehicle shredded scrap commodity providers must participate in the National Motor Vehicle Switch

Removal Program (NMVSRP) or another U.S. EPA-approved mercury switch removal program.

Prohibitions Municipal scrap, incinerator scrap, lead-coated steel, vitreous enameled materials, tin cans or tin-plated materials, copper-clad or plated steel, electric motors, reinforcing bar or rebar, turnings, borings, high

alloy steel, wire, excessive fluff, nonmetallic over 1 ton or over 1 foot.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	S
Minimum wt %	95	95								-	
Maximum wt %			0.30	0.18	1.50	0.30	0.03	0.03	0.20	0.05	0.10







Prohibitions

TITLE:

Iron & Steel Scrap Specifications Manual Sales, Terms, and Conditions

#1 Shredded Sizing Dimensions: 10" maximum in any direction Grade: #1 Shred Thickness: Minimum Density: 60 lb/ft3 ISRI #s: 210, 211 60 - 70 lb/ft3 Typical Density: Homogeneous shredded steel scrap processed through a shredder and magnetically separated originating from automobiles, appliances, heavy melting steel, and miscellaneous **DESCRIPTION /** sheet steel. All obvious nonmetallics and copper should be manually removed. Additional TYPICAL CONSTITUENTS processing is performed to further reduces amount of copper in shredded material. Total copper content must not exceed 0.20%. Restrictions Motor vehicle shredded scrap commodity providers must participate in the National Motor Vehicle Switch Removal Program (NMVSRP) or another U.S. EPA-approved mercury switch removal program.

Acceptance Criteria: Material is subject to visual inspection and visual classification, inspection for prohibited items and over/undersized material, mechanical weighing on certified scales, and radiation detection All conditions apply as detailed in Steel Scrap General Requirements.

alloy steel, wire, excessive fluff, nonmetallic over 1 ton or over 1 foot.

Municipal scrap, incinerator scrap, lead-coated steel, vitreous enameled materials, tin cans or tin-plated materials, copper-clad or plated steel, electric motors, reinforcing bar or rebar, turnings, borings, high

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	s
Minimum wt %	95	95									-
Maximum wt %			0.20	0.15	1.50	0.20	0.02	0.03	0.20	0.05	0.10





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Factory Bundles

Grade: #1 Bundles

Sizing Dimensions: 48" x 24" x 24" maximum or

18" x 36" x 36" maximum

ISRI #s: 208

Minimum Density: 75 lb/ft³

Typical Density: 75 - 90 lb/ft³

DESCRIPTION /
TYPICAL CONSTITUENTS

Hydraulically compressed bundles consisting of new automotive stampings that may include black, galvanized, and zinc-coated materials derived from a single source baled at the factory source, not baled at a scrap yard or collection yard.

Restrictions n/a

Prohibitions Wire.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	S
Minimum wt %	98	97									
Maximum wt %			0.10	0.10	1.50	0.10	0.01	0.03	0.50	0.03	0.05





Iron & Steel Scrap Specifications Manual Sales, Terms, and Conditions

#1 Dealer Bundles

Sizing Dimensions: 48" x 24" x 24" maximum or

Grade: #1 Bundles 18" x 36" x 36" maximum

ISRI #s: 208 Minimum Density: 75 lb/ft³

Typical Density: 75 - 90 lb/ft³

DESCRIPTION /
TYPICAL CONSTITUENTS

Hydraulically compressed bundles consisting of steel sheet scrap, clippings, or skeleton scrap that may include black, galvanized and zinc coated materials.

Restrictions n/a

Prohibitions Wire, terne plate, tin plate or chemically de-tinned material, tubing, steel wire, rebar, or material that has

been copper-plated.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	s
Minimum wt %	98	97									
Maximum wt %			0.10	0.10	1.50	0.10	0.01	0.03	0.50	0.03	0.05





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Crushed / Banded / Maximum Weight: 5,000 lbs **Pup Coils** Thickness: n/a Grade: #1 Bundles Typical Density: n/a ISRI #: n/a Prompt, clean industrial coils. Typically the head or tail of a master coil of a stamping, **DESCRIPTION /** punching, or steel processing operation. Coils may be crushed, banded, or pup coils Must be **TYPICAL CONSTITUENTS** tightly secured for handling with a magnet. Restrictions Each coil must be secured for handling with a magnet.

Prohibitions n/a

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	S
Minimum wt %	98	97									-
Maximum wt %			0.10	0.10	1.50	0.10	0.01	0.03	0.50	0.03	0.05





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Mandrels Maximum Weight: 5,000 lbs

Grade: #1 Bundles Thickness: n/a

ISRI #: n/a Typical Density: n/a

DESCRIPTION /
TYPICAL CONSTITUENTS

Clean, black, carbon steel mandrel wound bundles or skeleton reels originating from a factory, all new production material.

Restrictions Mandrels must be secured for handling with a magnet. Each coil will be packaged with a minimum of 3

bands, and bands will be evenly spaced evenly around the coil diameter. Missing, loose, or broken

bands may be cause for rejection. Commodity received via rail only.

Prohibitions Loads may not include coils consisting of long carbon materials such as round, hexagon rebar or flat

material in coil form.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	s
Minimum wt %	98	97									
Maximum wt %			0.10	0.10	1.50	0.10	0.01	0.03	0.50	0.03	0.05





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Plate & Structural Sizing Dimensions: 48" x 24" x 12" maximum

Grade: Plate & Structural Thickness: 1/4" minimum

ISRI #: 231, 232, 236 Typical Density: n/a

DESCRIPTION /
TYPICAL CONSTITUENTS

Clean cut structural and plate scrap free of pinched tube and pipe. Structural shape crop ends, shearings, or broken steel wheels. Side frames and bolsters from rail cars, vintage ship and barge plate of known chemistry, heavy gauge large diameter torched tubing and pipes.

Restrictions Feedstock must not be tangled and able to be unloaded via magnet or free-flowing when dumped. All

pipe and tube 6" diameter and greater must be split. Loads may include heavy-walled pipe if not pinched and not exceeding 20% of the load. Torch-cut pipe and tubing only - no sheared or pinched pipe. Rail

wheel axles must be cut flush to wheel and bearings removed.

Prohibitions Die blocks, cut up machinery, cam shafts, crank shafts, torque converters, cables, chains, springs, gears

or gear boxes, electrical panels, motor or motor blocks of any kind, counterweights, reinforcing bar, and

sheared or pinched pipe and tubing.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	S
Minimum wt %	98	97									
Maximum wt %			0.18	0.20	1.50	0.30	0.01	0.03	0.60	0.03	0.10





Iron & Steel Scrap Specifications Manual Sales, Terms, and Conditions

Pinched Plate & Structural

Sizing Dimensions: 48" x 24" x 12" maximum

Grade: Pinched P&S

1/4" minimum

ISRI #: 231, 232, 236

Typical Density: n/a

Thickness:

DESCRIPTION /
TYPICAL CONSTITUENTS

Load may contain pinched or sheared tube and pipe feedstock in addition to typical plate and structural feedstock. Clean cut structural and plate scrap. Structural shape crop ends, shearings, or broken steel wheels. Side frames and bolsters from rail cars, vintage ship and barge plate of known chemistry, heavy gauge large diameter tubing and pipes.

Restrictions Feedstock must not be tangled and able to be unloaded via magnet or free-flowing when dumped.

Pinched pipe diameter must not exceed 6". All pipe and tube 6" diameter and greater must be split.

ProhibitionsDie blocks, cut up machinery, cam shafts, crank shafts, torque converters, cables, chains, springs, gears or gear boxes, electrical panels, motor or motor blocks of any kind, counterweights, reinforcing bar.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	S
Minimum wt %	98	97									
Maximum wt %			0.18	0.20	1.50	0.30	0.01	0.03	0.60	0.03	0.10







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Rail Road Wheels

Sizing Dimensions: 42" diameter maximum

Grade: Plate & Structural

Thickness: n/a

ISRI #s: 42

Typical Density: n/a

DESCRIPTION /
TYPICAL CONSTITUENTS

Solid cast steel, forged, pressed, and/or rolled steel car and/or locomotive wheels. Axles cut

flush to wheel is acceptable.

Restrictions n/a

Prohibitions No axles. Only axles cut flush to wheel is acceptable.

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	s
Minimum wt %	95	95									
Maximum wt %			0.18	0.20	1.50	0.30	0.02	0.03	0.20	0.05	0.10





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Rail Road Crops

Sizing Dimensions: 3 ft maximum

Grade: Plate & Structural

Thickness: n/a

ISRI #: 27, 28A,28B,28C, 29

Typical Density: n/a

DESCRIPTION /
TYPICAL CONSTITUENTS

Standard section, original weight 50 lbs per yard and over, 3 feet in length rail sections.

Restrictions n/a

. ., u

Prohibitions n/a

Chemistry	Fe Total	Fe Met	Cu	Cr	Mn	Ni	Sn	Мо	Si	Р	S
Minimum wt %	95	95									1
Maximum wt %			0.18	0.15	1.50	0.30	0.02	0.03	0.20	0.05	0.10





Iron & Steel Scrap Specifications Manual Sales, Terms, and Conditions

Pig Iron Sizing Dimensions: 6" x 12" x 6" maximum Grade: Pig Iron 4" to 9" base pyramid typical Thickness: 4" minimum ISRI #: n/a 250 lb/ft3 Minimum Density: Cast Iron or Blast Furnace Iron that has been reduced from iron ore. Liquid iron is cast into **DESCRIPTION /** individual small pigs, grouped pigs that have been broken into smaller pieces, or pyramids. **TYPICAL CONSTITUENTS** Residual content is extremely low. Fines must not exceed 5% maximum. **Allowances** Restrictions Chemistry specifications are defined mutually for each lot purchase or contract. A quality certification must be provided for each barge or shipment. Fines must not exceed 5% maximum. **Prohibitions** May not contain beach iron, kish, home scrap, broken castings (other than broken pigs), cast iron castings.

Chemistry	Fe Total	Fe Met	С	Si	Р	S	Mn
Minimum wt %	95	95	4.30				
Typical Maximum wt % * Refer to shipment max certification				0.50	0.08	0.025	0.30





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Hot Briquetted Iron (HBI)

Sizing Dimensions: 1.1 mm x 50 mm x 30 mm

4.1" x 1.9" x 1.2"

Grade: HBI

Thickness: 1" minimum

ISRI #: n/a

Bulk Density: 2.5 – 2.8 t/m³

Apparent Density: $5.0 - 5.5 \text{ t/m}^3$

DESCRIPTION /
TYPICAL CONSTITUENTS

Iron that has been reduced in a process that uses natural gas or other reductant. During later stages of processing the iron is hydraulically compacted or briquetted into a cohesive solid.

Briquettes are typically 4" x 2".

Restrictions A quality certification must be provided for each barge or shipment.

Fines must not exceed 2% less than 1/4" sizing.

Prohibitions n/a

Chemistry	Fe Total	Fe Met	С	Cu	Cr	Ni	Sn	Мо	Si	Р	s
Minimum wt %	90	86	3.00								
Maximum wt %				0.001	0.100	0.300	0.010	0.030	0.500	0.035	0.025





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IRON & STEEL COMMODITY SPECIFICATION, SAFETY, AND ENVIRONMENTAL COMPLIANCE AGREEMENT

The undersigned seller has read and agreed to Steel Dynamics Butler Iron & Steel Specification manual. This includes general terms and conditions, environmental issues, closed containers/sealed units, radioactive material, other unacceptable material, and material specifications.

Supplier acknowledges that Steel Dynamics Butler may not accept any shipment in whole or in part that does not meet the conditions and specifications described within the Specifications Manual. Vendor also acknowledges that by violating this agreement they may be disqualified from supplying raw material to Steel Dynamics Butler.

Although Steel Dynamics Butler will exercise reasonable effort to inspect scrap shipments, materials supplied can contain constituents not readily detected during normal inspection, which expose Steel Dynamics Butler to hazards associated with use. Such constituents may include, for example, sealed containers, radiation sources, hazardous or flammable liquids, etc. In all cases Steel Dynamics Butler acceptance of any shipment shall not constitute any waiver of its rights to pursue claim of damages if subsequent use results in damage or injury to personnel or property.

I, the undersigned supplier, or authorized representative of said supplier, do hereby acknowledge receipt and understanding of the specifications and conditions of this agreement.

Please com	olete and return by fax or email upo	on receipt:	
-	Kevin.Rupp@steeldynamics.com	•	Fax: (260) 868-8954
Supplier's Nar	ne:		
	ne:		
Address:			
City/State/Zip:			
Phone:	Ext: Mobile	:Fax:	
Email:			
Signature:		Title:	
Radiation Det	tection Equipment Manufacturer Na	ame & Model Number:	
Hand Held	Truck	R	ail
Rail Line	Shipping Yard	Locations	



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NON-DISCLOSURE AGREEMENT

Dear Supplier:

Thank you for your interest in serving as a Supplier to Steel Dynamics Butler. For purposes of evaluating a potential business relationship between Steel Dynamics and Supplier, Supplier has requested that Steel Dynamics furnish Supplier with certain information relating to the operations, assets, finances, transactions and general business of Steel Dynamics and its affiliates (the "Confidential Information"). Steel Dynamics agrees to provide such Confidential Information to Supplier, subject to the express terms of this agreement ("Agreement").

For purposes of this Agreement, Confidential Information shall include but not be limited to all data, reports, records, trade secrets, financial statement and projections, customer and supplier identities and information, and/or other information and materials, whether in written, oral, electronic or other format, disclosed to Supplier both prior to and subsequent to executing this Agreement; in addition to any analyses, notes, reports, memoranda, work papers or work product prepared by Supplier or any of Supplier's employees, agents or representatives ("Supplier Representatives") derived from, based upon or containing Confidential Information. Confidential Information shall be expressly included the fact that Steel Dynamics and Supplier are contemplating a business relationship and the fact that Supplier has been permitted access to the Confidential Information.

In consideration of Steel Dynamics furnishing the Confidential Information, Supplier agrees to the following:

- 1. Supplier shall maintain such Confidential Information in strict confidence. Supplier shall not, directly or indirectly, disclose the Confidential Information to any other person or entity without the written consent of an authorized Officer of Steel Dynamics; provided, however, Supplier may disclose Confidential Information (a) subject to Paragraph 3 of this Agreement, to those of supplier's Representatives that have a need to review the Confidential Information to assist Supplier in evaluating the business relationship; and (b) subject to Paragraph 7 of this Agreement, if required by law or valid legal process.
- 2. Supplier shall not use the Confidential Information for any purpose other than in connection with the business relationship, and shall not use the Confidential Information in any manner that exploits or disadvantages Steel Dynamics or benefits any third party.
- 3. Supplier shall inform Supplier Representatives of Supplier's obligations under this agreement and will obligate Supplier Representatives to abide by the terms of this Agreement. In any event, the actions and omissions of Supplier Representatives shall be deemed by actions of Supplier with respect to the Confidential Information and, Supplier agrees that it is liable for any breach of this Agreement by Supplier Representatives. Supplier acknowledges and agrees that any unauthorized use or disclosure of the Confidential Information shall constitute a material breach hereof and shall cause irreparable harm and loss to Steel Dynamics and its affiliates.
- Upon Steel Dynamics request, Supplier shall either destroy or return to Steel Dynamics (at Steel Dynamics election) all Confidential Information (including all copies thereof) in possession of Supplier or Supplier Representatives.



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- 5. Supplier shall take such action within five (5) business days of any such request and upon request of Steel Dynamics, shall supply Steel Dynamics with a written certification that Supplier has fulfilled its obligations under this Section 4.
- Supplier acknowledges and agrees that Steel Dynamics is the exclusive owner of the Confidential Information, including all intellectual property rights contained therein. No license or conveyance of any such rights is granted to Supplier or implied under this Agreement.
- 7. In the event that Supplier and/or Supplier Representatives are required by law or valid legal process to disclose any of the Confidential Information, Supplier shall provide Steel Dynamics with prompt written notice so that Steel Dynamics may seek a protective order or other appropriate remedy and/or waive compliance with the provisions of this Agreement for purposes of such limited disclosure. If, in the absence of a protective order or the receipt of a waiver by Steel Dynamics, Supplier and/or Supplier Representative are nonetheless required to disclose Confidential Information, Supplier and/or Supplier Representatives may, without liability hereunder, disclose only that portion of the Confidential Information which, in the opinion of its respective counsel, is legally required to be disclosed.

Supplier understands that Steel Dynamics makes no representations or warranties regarding the accuracy or completeness of any Confidential Information. Supplier agrees that Steel Dynamics shall have no liability to Supplier or any Supplier Representative arising out of or in connection with the Confidential Information.

It is further understood that Steel Dynamics has appointed Kevin Rupp, or his designee ("Agent") as its contact person for purposes of this Agreement. Supplier agrees that it shall direct all communications and requests for information regarding Steel Dynamics through Agent or Agent's designated legal counsel. Supplier understands that unless specifically authorized by Agent, Supplier and Supplier's Representatives may not contact any other employee, or representative of Steel Dynamics. In addition Supplier and Supplier Representatives shall be prohibited from contacting any Steel Dynamics customers or Suppliers unless first receiving written authorization from Agent or an authorized Officer of Steel Dynamics.

Supplier further acknowledges and agrees that Steel Dynamics shall have no obligation to authorize or pursue a business relationship with Supplier or any other party. Steel Dynamics shall be free to pursue a potential business relationship with any party, as Steel Dynamics in its sole discretion shall determine.

This Agreement shall remain in full force and effect for so long as Supplier has access to any Confidential Information, and for a period of five (5) years thereafter. In the event of any breach of this Agreement by Supplier or Supplier's Representatives, Steel Dynamics and its affiliates, (in addition to and not in lieu of any other remedies at law or in equity that it may have), shall be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance.

This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Indiana, without regard to its conflicts of law rules. In any action to enforce this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and costs. In the event that



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any portion of this agreement shall be deemed unenforceable, the balance of this Agreement shall remain enforceable and be interpreted as if the unenforceable provision is deleted from this Agreement. This Agreement shall bind Supplier's successors and assigns, and any assignment of this Agreement by Supplier without prior written consent of Steel Dynamics shall be void. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and may be amended or modified only in a written instrument executed by the parties hereto.

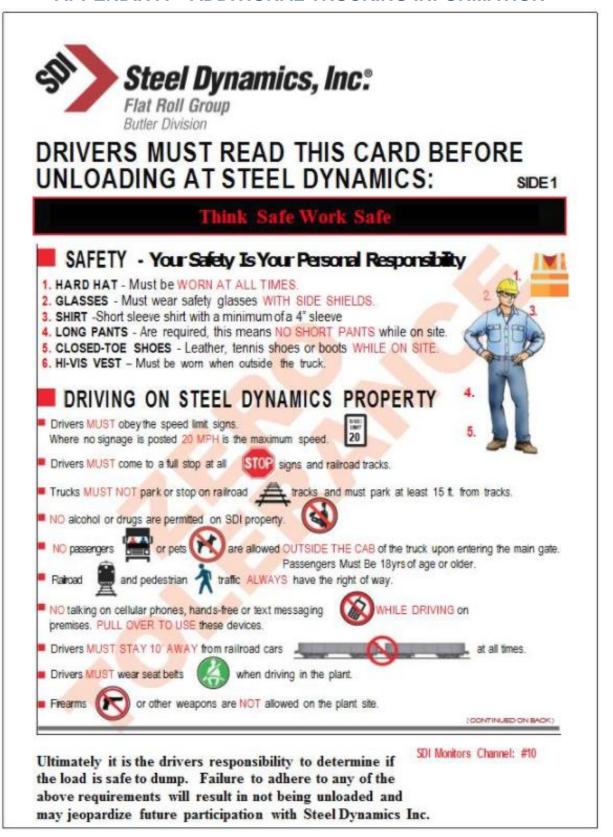
If Supplier is in agreement with the foregoing, please sign and return one copy of this Agreement to Steel Dynamics, which thereupon will constitute an Agreement between parties, each intending to be legally bound, with respect to the subject matter hereof.

	Very truly yours,
	Steel Dynamics, Butler
	By:
	Title:
ACCEPTED AN SUPPLIER	ID AGREED TO:
BY:	
TITLE:	
COMPANY:	
Date Signed: _	



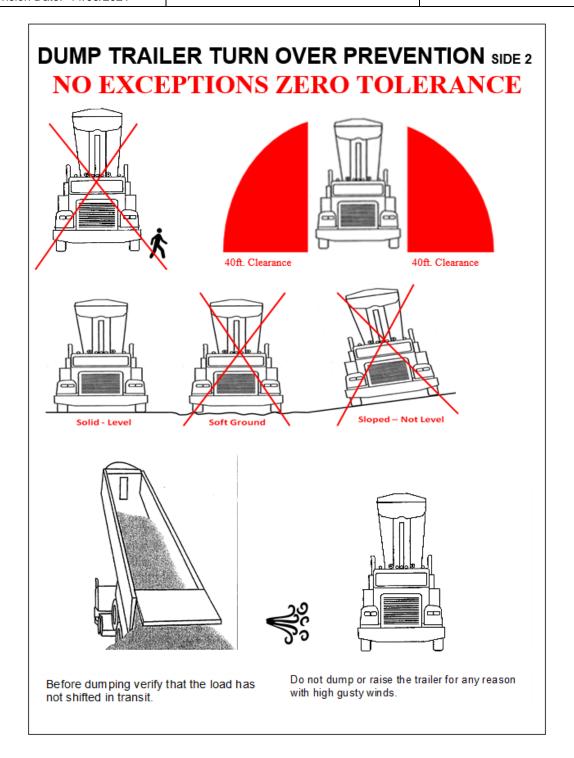
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APPENDIX A – ADDITIONAL TRUCKING INFORMATION





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TOWING AND RECOVERY CALL LIST FOR RECLAIM PARKER WRECKER SERVICE – (260) 485-9014 FIRST CALL TOWING – (260) 495-2192



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APPENDIX B: DUMP TRAILER TIP-OVER PREVENTION PROGRAM





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Dumping Equipment Safety Critical Inspection Points – Roll-Off Trailers & Dump Trailers

Trailer/Container Door Condition

- Check all welds for breaks and/or corrosion
- Maintain (grease) and a inspect all hinges
- Maintain (grease) and inspect all chains/binders







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Dumping Equipment Safety Critical Inspection Points – Roll-Off Trailers & Dump Trailers

Rear Suspension / Trailer Frame:

- Check all airbags for proper inflation (free of leaks).
- Ensure all mounting brackets are free of corrosion.
- Ensure all lines to airbags are in good condition (free of chafing or leaks)



- Ensure there are no broken:
 - Springs
 - Spring Center Bolts -
 - Shackle Bolts —



 Ensure all hinge/dump pins are maintained, lubricated and in good condition (free of cracks and/or excessive wear)





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Dumping Equipment Safety Critical Inspection Points – Roll-Off Trailers & Dump Trailers

Rear Suspension / Trailer Frame - Continued:

Ensure tires are properly inflated.
 Ensure rims/wheels are free of cracks, breaks and missing/broken lugnuts.



 Ensure the frame of the dump trailer or roll-off container has no breaks in the frame. Ensure all bolts and welds are in good condition and properly securing the trailer or rolloff frame to the chassis of the trailer.





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Dumping Equipment Safety Critical Inspection Points – Roll-Off Trailers & Dump Trailers

Dump Tub / Trailer Frame:

 Inspect and maintain dump tub properly to ensure it's free of breaks, cracks, broken welds and broken mounting brackets.



 Ensure all cylinder mounts are properly lubricated and free of cracks or breaks.



 Ensure all cylinder pins are visibly in place and not working their way out of their mounts.



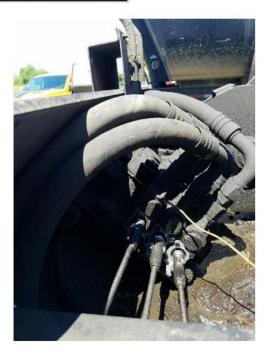


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Dumping Equipment Safety Critical Inspection Points – Roll-Off Trailers & Dump Trailers

<u>Dump Tub / Trailer Frame - continued:</u>

 Inspect all hydraulic cylinders, fittings, hoses and valves for blown, bulging or leaking seals.



 Ensure all rollers on a roll-off trailer have a retaining bolt or cotter key present in order to prevent the loss of a roller.





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Dumping Equipment Safety Critical Inspection Points – Roll-Off Trailers & Dump Trailers

Landing Gear & Fifth Wheel Area:

 Inspect all landing gear bolts, brackets and welds for excessive wear and/or corrosion. Ensure all bolts are tight, not allowing the landing gear to move while in use.



 Ensure fifth wheel plate is free of cracks and that the fifth wheel pin is secure and in good condition.



 Check hydraulic fittings for cracks, leaks or missing parts.





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Suggested Material Loading Practices

Scrap metal bundles should be loaded with a grapple or magnet in order to ensure even distribution of material.







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Suggested Material Loading Practices

Plate & Structural-type material should be loaded with a grapple or magnet in order to ensure even distribution of material.

Evenly Loaded Trailer – Best Practice





Unevenly Loaded Trailer - Tip Over Risk

Unnecessary Void





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Suggested Material Loading Practices

Busheling-type material should be loaded with a grapple, magnet or conveyor in order to ensure even distribution of material.





Unevenly loaded trailer - Tip over Risk





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Suggested Material Loading Practices

Turnings and Borings should be loaded with a conveyor, magnet or loader in order to ensure even distribution of material.

Evenly Loaded Trailer - Best Practice



Unevenly loaded trailer - Tip over Risk





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Suggested Material Loading Practices

Shredded scrap should be loaded with a magnet or loader in order to ensure even distribution of material.

Evenly Loaded Trailer Best Practice



Unevenly Loaded Trailer

Tip over Risk





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APPENDIX C: EXAMPLES OF NON-CONFORMING OR OFF-SPEC MATERIALS

#1 Busheling

NONCONFORMANCES SUBJECT TO REJECTION

1. Low Density, Tangled Material











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#1 Busheling (cont)

NONCONFORMANCES SUBJECT TO REJECTION

2. Tangled and Oversize length and/or thickness





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Bundles Commodities

NONCONFORMANCES SUBJECT TO REJECTION

1. Wire, Copper Wire, Rebar, etc.





2. Nonmetallics, Fines, Millscale, Dirt, etc.







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Miscellaneous

NONCONFORMANCES SUBJECT TO REJECTION

1. Nonmetallics, Dirt, Yard Clean-ups, etc.



