

Purchase Order Standard Terms And Conditions

1. **Scope of Contract.** All of the Standard Terms and Conditions of Sale, as well as the provisions on the facing sheet of this Purchase Order and any plans, drawings, specifications, or other documents attached to, incorporated by reference, or otherwise described in these documents shall constitute the "Contract." Buyer (Steel Dynamics Columbus, LLC) reserves the right to make design, drawing, specification, or delivery schedule changes. This Contract may be amended or modified only by written agreement of the Buyer and Seller.
2. **Controlling Terms and Conditions.** Unless otherwise specified in writing by Buyer, Buyer agrees to purchase the goods or services described herein from Seller only on the express condition that Seller assents to the exact terms and conditions set forth in this Contract and to no other terms and conditions. Buyer objects to and shall not be bound by any such other terms or conditions, either in Seller's offer, its expression of acceptance, or its confirmation or other communication which is different from, inconsistent with, or in addition to Buyer's terms and conditions; and any such conflicting terms and conditions are hereby expressly rejected. Acceptance of or payment for the goods or services described herein, or any part thereof, shall not constitute an acceptance of or assent to any conflicting or non-conforming provisions of Seller's offer, expression of acceptance, confirmation, or any other communication from Seller to Buyer which is different from, inconsistent with, or in addition to the terms and conditions hereof, nor shall it be deemed a waiver by Buyer of any such term or condition.
3. **Purchase Price.** Unless otherwise indicated, prices are firm. Prices are based on U.S. dollars and payment shall be made in U.S. dollars. Seller shall be responsible for any taxes or duties on the goods or services described herein, except for any such taxes or duties imposed by applicable law specifically upon Buyer and which Seller is required to collect from Buyer.
4. **Freight and Delivery.** Delivery shall be made DDP, Incoterms® 2010, Buyer's plant site in Columbus, Mississippi. Unless separately specified on the face hereof, Seller shall be responsible, at its own cost, to adequately pack or box the goods for safe transportation to its DDP Incoterms® 2010 delivery point and for any other drayage or cartage charges in connection therewith. Time is of the essence with respect to delivery, and Seller acknowledges that Buyer is relying upon timely delivery. Buyer reserves the right to reject delivery made ahead of schedule, unless Seller has secured Buyer's prior written authorization. Buyer's acceptance of any partial deliveries of goods or services shall not be deemed to constitute a waiver of Buyer's right to reject future deliveries.
5. **Warranties.**
 - a) Seller represents and warrants to Buyer that the goods or services (i) shall conform to Seller's plans, specifications, or designs or to the requirements of Buyer's plans, specifications, or design (if applicable); (ii) shall be free from defects in material, design, and workmanship and shall conform to Buyer's specifications of materials; (iii) shall be of the kind and quality and shall perform in accordance with the plans and specifications specified in this Contract; (iv) shall comply with all applicable country of origin, countries of passage, federal, state and local laws, rules, regulations, and ordinances; (v) shall be produced in compliance with all local, state, federal, or other laws, rules, and regulations regarding non-discrimination and worker's safety; and (vi) shall be accompanied, where required, by Material Safety Data Sheets which comply with OSHA's Hazard Communication Standards under 29 CFR §1910.1200.
 - b) Seller agrees to comply with all applicable local, state, and federal laws, rules, and regulations in conducting Seller's business and performing Seller's obligations under this Contract. Seller certifies that the goods and materials purchased hereunder has been produced in compliance with the Fair Labor Standards Act of 1938, as amended, including all regulations thereunder, as applicable. Seller also warrants that Seller will at all times comply with applicable provisions relating to government contractors and subcontractors, which provisions, and any contract clauses required thereunder, are incorporated in this Contract by reference as if set forth in full, including but not limited to, the Equal Opportunity Clause of Executive Order 11246.
 - c) Seller represents and warrants that all goods and services, including (but not limited to) equipment, processes, technology, programs, or know-how, that constitute the subject matter of this Contract, shall not infringe the patents, trademarks, or any other property or intellectual property rights of any other person. Seller shall defend Buyer against any such claims and shall be responsible for and shall indemnify and hold Buyer harmless from and against any expenses, judgments, or amounts paid in settlement in connection therewith. Furthermore, and without limiting Seller's obligation to defend and indemnify Buyer hereunder or pursuant to Section 6, if as a result of any such infringement or violation Buyer is prevented or enjoined from using the goods, equipment, processes, programs or know-how, then Seller, at its own expense, shall immediately obtain for Buyer a license or right to continue to use the goods, equipment, processes, programs, or know-how, or, at Seller's election, and without compromise of quality, utility, delivery schedule, or use. Seller shall replace the same with comparable goods, equipment, processes, programs, or know-how which does not so infringe, or shall effect sufficient modifications thereof or therein so as to avoid the infringement.
 - d) Neither Buyer's inspection of goods, during or after production, nor its approval of Seller's drawings or other specifications shall relieve Seller from its responsibility for errors or omissions in the drawings or defects in or other non-conformities of the goods or services.
 - e) Subject to commercially reasonable notification by Buyer of any defects or non-conformities, and a reasonable opportunity to cure such defects and/or non-conformities, Seller agrees that for a period of 15 months subsequent to Buyer's acceptance and the commencement of start-up and actual regular use, it shall at its own cost and expense service, repair, replace, re-engineer, or otherwise correct any and all such defects or non-conformities, or if Seller refuses or, after reasonable attempts, fails or is otherwise unable to effect such repairs or corrections, Seller shall reimburse Buyer for Buyer's full cost of effecting such repairs or corrections elsewhere. This warranty is a minimum warranty and shall not be deemed to reduce or replace any other of Seller's otherwise applicable warranties.
6. **Indemnification By Seller.** Seller shall indemnify and hold Buyer harmless from and against any and all claims, actions, liabilities, damages, expenses and costs, including attorney's fees, arising out of or as a result of (i) any breach of any representation, warranty, or undertaking by Seller hereunder; (ii) any bodily injury or property damage caused by or resulting from any act or omission of Seller or any of its officers, employees, agents, contractors, or subcontractors, and related to the design, installation, engineering, manufacture, testing, servicing, or repair of the subject matter of this Contract, or (iii) any other default by Seller of its obligations hereunder. Buyer shall notify Seller of any infringement or similar claim, but, unless resulting in actual material loss of rights to Seller, Buyer's tardy notification to Seller shall not affect Seller's indemnification, obligations hereunder.
7. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES WHETHER ARISING OUT OF BREACH OF CONTRACT, TORT (INCLUDING NEGLIGENCE), OR OTHERWISE, REGARDLESS OF WHETHER SUCH DAMAGES WERE FORESEEABLE AND WHETHER OR NOT EITHER PARTY HAS BEEN ADVISED BY THE OTHER PARTY OF THE POSSIBILITY OF SUCH DAMAGES, AND NOTWITHSTANDING THE FAILURE OF ANY AGREED OR OTHER REMEDY OF ITS ESSENTIAL PURPOSE.
8. **Excusable Delays.** Neither party shall be liable to the other for any delay of performance hereunder, if such delay is due to circumstances beyond that party's reasonable control, such as (without limitation) acts of God, natural disasters, industrial strife, government action, or unavailability of raw material supplies, and if reasonable advance notice thereof is given. If Seller should be unable, due to such a cause, to meet all of its delivery commitments to Buyer, Seller shall nonetheless use reasonable efforts to make deliveries hereunder as expeditiously as possible, on a non-discriminatory basis. However, if an alternative source is available to Buyer and if Buyer believes that the Seller's delay may impair its ability to meet production schedules or delivery schedules, or in the event of market price volatility, Buyer, at its option and without liability to Seller, may cancel any outstanding deliveries in whole or in part upon fifteen (15) days prior written notice.
9. **Disclosing Party Confidential, Proprietary or Technical Information.** The "Receiving Party," whether that be Buyer or Seller, covenants and agrees that neither it nor any of its agents, employees, or sub-contractors, without the prior written consent of the "Disclosing Party," whether Buyer or Seller, will disclose to any other person, nor use for their own benefit, any of the Disclosing Party's confidential, technical, or proprietary information ("Proprietary Information") not otherwise publicly known or lawfully within Receiving Party's possession, which Receiving Party may have learned or obtained in connection with its work hereunder. Receiving Party agrees that to the extent any of its contractors, sub-contractor, or agents require access to such Proprietary Information by reason of work required to be done hereunder, Receiving Party shall first require such contractors, sub-contractors or agents to become familiar with and to agree to be bound by the terms and conditions of this confidentiality undertaking.
10. **Entire Agreement.** This Contract constitutes the entire agreement between Seller and Buyer with respect to the subject matter hereof and supersedes any prior or other agreements, written or oral, between the parties. No amendment, modification, waiver or release of any provision hereof shall be binding upon Buyer or Seller unless in writing, signed by Buyer's or Seller's authorized representative, as the case may be.
11. **Applicable Law; Forum.** This Contract, including all documents and exhibits, schedules, attachments, and appendices attached and/or related to this Contract, and all matters arising out of or relating to this Contract, are governed by, and construed in accordance with, the Laws of the State of Mississippi, United States of America, without regard to the conflict of laws provisions thereof to the extent such principles or rules would require or permit the application of the Laws of any jurisdiction other than those of the State of Mississippi. Seller and Buyer agree that the United Nations Convention on Contracts for the International Sale of Goods (1980) shall not apply to this Contract. Both Seller and Buyer consent to personal jurisdiction in Mississippi and to the jurisdiction of any state of federal court in the district in Mississippi where Buyer's plant is located; and both parties agree that venue shall also be proper and deemed convenient therein.
12. **Assignment or Delegation.** Seller's work hereunder may not be delegated or assigned by Seller without Buyer's prior written consent, except that Seller may use sub-contractors if subject to Seller's supervision and responsibility. Buyer may assign its rights hereunder to a controlled or affiliated entity or to a governmental agency or authority, if necessary in connection with financing, but no such assignment shall absolve Buyer of its responsibility hereunder.
13. **Alternative Dispute Resolution.** Buyer and Seller agree that the prompt and effective resolution of any disputes that may arise hereunder is in the best interest of everyone. Buyer and Seller agree that all disputes hereunder may, pursuant to a written agreement executed by both Buyer and Seller, be resolved by arbitration in Mississippi, pursuant to the Commercial Arbitration Rules of the American Arbitration Association, by a single arbitrator, if the parties can mutually agree, or, if the parties cannot agree, by a panel of three arbitrators, with each party selecting one arbitrator and the two so selected choosing the third. If arbitration is selected by the Buyer and Seller as provided for herein, any finding or award by the arbitrator(s) shall be binding in any related judicial action between the parties, and may be entered as a judgment in any state or federal court in Mississippi for the district in which the Buyer's plant is located.
14. Buyer is committed to ISO certification. Our delivery goal, for applicable incoming shipments, is 100% on-time, as provided for in our approved procedures. Our quality goal is 100% quality for applicable incoming shipments, again as provided for in our approved procedures. You are expected to perform to our goals for 100% quality and 100% on-time delivery, as applicable in our approved procedures.
15. Buyer has a goal for its prime suppliers to base their quality systems on the ISO standard or an equivalent certification, with a potential goal of overall compliance to a known standard as provided for, in our approved procedures. Buyer may from time to time require certifications from Seller with respect to its own ISO or other quality system certification. Failure to supply such certification when requested may limit or prohibit future business.
16. Any plans, specifications, or additional documents referenced herein shall constitute a material term of this contract.
17. Risk of loss remains Seller's until effective delivery.
18. Buyer's standard terms and conditions of sale listed above constitute an integral part of this contract. Therefore, Buyer objects to, and will not be bound by, any conflicting or inconsistent term or condition that Seller might have in any of its documents. If any term or condition is unacceptable to Seller, Seller must notify Buyer in writing within 10 days of its receipt hereof, and Seller's failure to return a signed copy hereof shall not absolve Seller from its obligations hereunder.
19. **Conflict Minerals.** It is Buyer's intent to avoid the use of Conflict Minerals (as that term is defined by Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act) that are not Conflict Free. Buyer will not knowingly accept certain raw materials containing Conflict Minerals that have not been certified to be "DRC Conflict Free" and may require Seller to provide a declaration or other such documentation to that affect.