



ABRASERVICE NORTH AMERICA PURCHASE ORDER TERMS AND CONDITIONS

The purchaser identified on the face of this order ("ABRASERVICE") agrees to purchase and Supplier agrees to sell the goods, materials, equipment and machinery ("Goods") and/or provide the services ("Services") described in this purchase order including in any document, drawing or Schedule referred to or incorporated by reference in this purchase order (collectively, the "Order"), subject to the following:

1. **Acceptance:** This Order shall be deemed to be accepted and shall be a binding contract for the sale of the Goods and/or the provision of the Services upon the first to occur of the following events: Supplier or its agent executing and delivering the acknowledgement copy of this Order to ABRASERVICE; Supplier shipping or delivering the Goods to ABRASERVICE; or Supplier commencing the performance of the Services.
2. **Governing Terms and Conditions:** The terms and conditions set forth in this Order, along with any master, supply or other agreement, if any, previously entered into by the parties that purports to govern transactions between ABRASERVICE and Supplier with respect to the Goods and Services ("Master Agreement"), incorporated by reference herein, shall together constitute the sole and exclusive agreement between ABRASERVICE and Supplier and together shall supersede all other prior agreements or commitments, whether oral or written. Acceptance of this Order is expressly limited to acceptance of the terms and conditions set forth in this Order, excluding such terms and conditions which are inconsistent with the terms and conditions of a Master Agreement, if any. ABRASERVICE hereby gives notice that it objects to and rejects any terms or conditions contained in any document which has been or may in the future be supplied by Supplier to ABRASERVICE which are in addition to, different from, inconsistent with or attempt to vary any of the terms or conditions of this Order whether such terms or conditions are set forth in Supplier's tender, proposal, order acknowledgement, invoice or otherwise. ABRASERVICE's acceptance of the Goods and/or Services shall not be construed as an acceptance of any terms or conditions contained in any such document. If this Order is deemed to be an acceptance of a prior offer by Supplier, such acceptance is conditional on Supplier's assent to all the terms and conditions set forth in this Order.
3. **ABRASERVICE's Material:** All of ABRASERVICE's tooling, goods and other property in Supplier's possession shall be held by Supplier as bailee for hire for use only in filling ABRASERVICE's orders, be kept separate, and be clearly identified by Supplier as ABRASERVICE's property, and shall be fully insured by Supplier. All such materials not consumed in the performance of this order shall be held pursuant hereto until ABRASERVICE otherwise directs. Supplier waives and releases ABRASERVICE from, and Supplier shall defend, indemnify and hold harmless ABRASERVICE from and against, all claims for injury or damage to Supplier, its employees or others, arising out of or in connection with the presence or use of such materials whether such injury or damage is caused by defects in such material, ABRASERVICE's negligence or otherwise.
4. **Modifications and Revisions:** No revision or modification of the terms and conditions of this Order shall be binding on ABRASERVICE unless such revision or modification is expressly accepted in writing by an authorized officer of ABRASERVICE.
5. **Delivery, Title and Risk:** Delivery of the Goods to ABRASERVICE shall take place at ABRASERVICE's plant site or such other shipping destination specified on the face of this Order. Notwithstanding any shipping arrangement specified in this Order, Supplier shall have the risk of loss for all Goods shipped under this Order until receipt of delivery and acceptance of such Goods by ABRASERVICE at the specified location, at which time title to and the risk of loss with respect to such Goods shall pass to ABRASERVICE. Partial shipments are not permitted unless otherwise agreed to in writing by ABRASERVICE. For the purpose of securing Supplier's performance of its obligations under this Order, Supplier hereby grants to ABRASERVICE a security interest in and to the completed or partially completed Goods covered by ABRASERVICE's progress payments.
6. **Taxes:** All applicable sales or use taxes payable by ABRASERVICE shall be separately identified on the face of this Order. Any such taxes not so identified shall be deemed to be included in the price.
7. **Price Inclusive:** Unless otherwise specified in this Order, the stated price shall include all duties, levies, freight charges, packing charges, insurance charges, installation charges and any other charges in connection with the Goods and/or Services. Supplier shall provide all properly completed customs invoices, declarations and evidence of export/import as well as operating and maintenance manuals as may be required by ABRASERVICE.
8. **Payment:** Unless otherwise specified in this Order, payment of Supplier's invoice shall be due 60 days after receipt by ABRASERVICE, provided that ABRASERVICE does not otherwise contest the amount of such invoice in good faith. Final payment subject to ABRASERVICE receiving a complete set of "as built" Drawings. In the case of Services performed at ABRASERVICE's plant site, payment shall not be due until Supplier has delivered such releases or waivers of all claims for mechanics' and materialmen's liens as ABRASERVICE may reasonably require.
9. **Inspection:** ABRASERVICE shall have the right to inspect the Goods at Supplier's plant or other place of manufacture. Notwithstanding any such inspection, all Goods are subject to ABRASERVICE's final inspection and acceptance on delivery. If rejected, the Goods will be held for disposal at Supplier's risk and expense. No inspection, acceptance of any part or all of the Goods or payment shall relieve Supplier from full responsibility for furnishing Goods conforming to the requirements of this Order, nor prejudice any claim, right or privilege ABRASERVICE may have for defective or unsatisfactory Goods, delays in delivery or other non-compliance with this Order.
10. **Warranty:** In addition to any other express or implied warranties, Supplier expressly warrants that: (a) it has good and marketable title to all Goods furnished under this Order and the right to transfer title to such Goods to ABRASERVICE free of all liens and encumbrances; (b) all Goods supplied and/or Services provided shall be and be performed in accordance with all applicable specifications, drawings, descriptions or samples furnished and in accordance with all other requirements of this Order and the representations of the Supplier; (c) all Goods shall be of new and first class material and workmanship, shall be fit and suited for the purpose and use contemplated by this Order, and shall be of merchantable quality; (d) unless a longer period is specified elsewhere in this Order, all Goods and Services furnished shall be free from defects in material, design or workmanship for a period of 12 months from the date that, in the case of Goods, the Goods are used or put into operation by ABRASERVICE, or in the case of Services, for a period of 12 months from the date that the Services are completed; (e) all Services shall be performed in a workmanlike manner and in accordance with the highest standards for such Services in the steel making industry; and (f) all computer software, hardware and firmware supplied by the Supplier shall be free of any harmful programs or data that disrupt the proper operation thereof, and will perform the functions and meet or exceed the performance criteria for such hardware, software or firmware described in this Order. Supplier shall promptly repair, replace and correct defects in the Goods or Services not conforming to any warranty, without expense to ABRASERVICE, when notified of such non-conformity by ABRASERVICE.
11. **Compliance with Laws, Safety, and ABRASERVICE's Supplier Code of Conduct :** Supplier warrants and agrees that Supplier shall have complete control and responsibility for the safety and health of its employees and agents while engaged in the performance of the Services at ABRASERVICE's plant site and that all Goods and Services furnished shall comply with all applicable federal, provincial, state and local laws and regulations in force at the time of supply and/or performance including, without limitation, with all applicable occupational safety and health and environmental laws and regulations. Supplier also warrants and agrees that it will provide its employees and/or agents with the following: SDS Safety Sheets for any hazardous chemical that they may come into contact with on-site; any and all OSHA (and applicable OSHA state equivalent) standards and regulations applicable to the work performed on-site; and any and all Personal Protective Equipment required by OSHA (and applicable OSHA state equivalent) to perform the work on-site. Supplier further warrants and agrees that it will assume responsibility for the proper training and supervision of its employees and/or agents regarding any OSHA (and applicable OSHA state equivalent) standards that affect how its employees' and/or agents' work on-site at ABRASERVICE will be accomplished and that it will cooperate with ABRASERVICE in the exchange of safety information where required by OSHA (and applicable OSHA state equivalent) regulations. Supplier shall obtain all necessary permits and/or licenses and give all necessary notification s for the supply of the Goods and/or the performance of the Services. Supplier further agrees that it will perform the work under any order from ABRASERVICE in conformity with ABRASERVICE's Supplier Code of Conduct (available at www.SSAB.com). ABRASERVICE actively supports the UN Global Compact's principles and we encourage our suppliers to align with the same principles (available at: www.unglobalcompact.org). ABRASERVICE, or a third party assigned by ABRASERVICE, reserves the right to conduct reviews of Supplier or on-site audits. Supplier agrees to cooperate in order to facilitate such reviews or audits. ABRASERVICE also expects Supplier, within its sphere of influence, to monitor its own suppliers for commitment to environmental and social responsibility.

12. **Sanctions Clause:** Each Party represents, warrants that: (a) neither it nor any of its subsidiaries (collectively, the "Company") or directors, senior executives or officers, or to the knowledge of the Company, any person on whose behalf the Company is acting in connection with the Contract, is an individual or entity ("Person") that is, or is 50% or more owned or controlled by, a Person (or Persons) that is the subject of any economic or financial sanctions or trade embargoes administered or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") the U.S. Departments of State or Commerce, the United Nations Security Council ("UNSC"), the European Union ("EU"), Switzerland, Her Majesty's Treasury or other applicable sanctions authority (collectively, "Sanctions") or based, organized or resident in a country or territory that is the subject of comprehensive (i.e., country-wide or territory-wide) Sanctions (including, as of the date of signature of this contract, Crimea, Cuba, Iran, North Korea and Syria) (a "Sanctioned Country") (collectively, a "Sanctioned Person"); (b) no Sanctioned Person has any beneficial or other property interest in the Contract nor will have any participation in or derive any other financial or economic benefit from the Contract, and (c) it will not use, or make available, the service, material or purchase price (as applicable) provided by the other Party in terms of the Contract to fund or facilitate any activities or business of, with or related to any Sanctioned Country or Sanctioned Person, or in any manner that would result in a violation of Sanctions; and (d) it will not engage or employ, or present or load any vessel or other mode of transport, or use an insurance agency or company, for the carriage of material, against which there are, or against the carriers, owners, operators, disponent owners or managers, or their insurance agency or company, of which there are, in each case, directly or indirectly, Sanctions; and (e) it will not furnish to the other party, material that has been sourced, directly or indirectly, in whole or in part from a country, state, territory, region, incorporated entity, natural or other legal person that is directly or indirectly target of Sanctions; and (f) to the best of its knowledge, it will, including anyone acting on their behalf, comply with any applicable import and export laws and regulations and licensing requirements such as but not limited to the International Traffic in Arms Regulations ("ITAR") and the United Kingdom Export Control Act.

13. **Delay:** Time is of the essence of this contract. Supplier agrees that it will complete the delivery of the Goods and/or perform the Services in accordance with the times specified in this Order. Supplier shall furnish ABRASERVICE upon request a progress schedule showing the status of the manufacture of the Goods, the expected shipping date, and/or the progress in the performance of the Services. Supplier shall immediately notify ABRASERVICE in writing if the supply of the Goods and/or performance of the Services will be delayed, indicating the cause and extent of the delay, but this shall not relieve Supplier of its obligation to deliver and/or perform as required by this Order.

14. **Cancellation and Waiver of Consequential Damages:** In addition to any other rights and remedies which it may have, ABRASERVICE may cancel the supply of the Goods and/or the performance of the Services or any part thereof because of Supplier's failure to comply with any of the terms or conditions of this Order (including without limitation, for late delivery of Goods, late performance of Services, delivery of Goods which are defective or which do not conform with this Order, or failure to provide ABRASERVICE, upon request, with reasonable assurances of future performance). Furthermore, ABRASERVICE may cancel the supply of the Goods and/or the performance of the Services or any part thereof without cause at its sole option by giving written notice thereof to Supplier. Upon such cancellation without cause, ABRASERVICE shall reimburse Supplier for its actual direct costs incurred in respect of this Order prior to the effective date of notice of cancellation together with any actual direct costs resulting from such cancellation, less the reasonable recoverable value in respect of any Goods or partially completed Goods which Supplier could reasonably obtain from a third party. In no event shall ABRASERVICE be responsible or liable for Supplier's loss of actual or anticipated profits or loss of business nor for any other special, indirect or consequential damage arising out of or relating to this Order or from the performance, suspension, termination or breach thereof, whether based upon principles of equity, contract, tort (including but not limited to negligence) or otherwise.

15. **Patent Infringement:** Supplier warrants that neither the Goods, nor Services use thereof shall infringe on any existing or pending patent, copyright, trademark, trade name, invention or process of manufacturing or other intellectual property right.

16. **Intellectual Property:** Supplier acknowledges and agrees that any product which is capable of copyright protection made, designed or developed for ABRASERVICE pursuant to this Order shall be a "work made for hire". Supplier hereby grants and assigns to ABRASERVICE and its successors and assigns any and all inventions, discoveries, computer programs, software, data, technologies, designs, innovations and improvements, and related patents, copyrights, trademarks and other industrial and intellectual property rights and applications therefor made or conceived by Supplier or its agents or employees in connection with the performance of this Order.

17. **Confidential Nature of Designs, etc.:** Any specifications, designs, patterns, samples or other similar items or other technical, commercial or financial information relating to ABRASERVICE's business (the "Information") which Supplier may obtain or which ABRASERVICE may in any way disclose to Supplier in connection with this Order, shall be deemed to be

confidential and Supplier shall not use the Information for its own purposes (other than for this Order), nor shall Supplier disclose the Information to any person or firm except as may be specifically authorized by ABRASERVICE in writing.

18. **Information Furnished to ABRASERVICE:** ABRASERVICE shall have the right to make copies of or otherwise use for its own purpose (including duplicating any components of the Goods for use as replacement or spare parts at ABRASERVICE's plant site), any drawings or other information provided by Supplier in the course of its performance under this Order.

19. **Waivers:** No waiver of any provision of this Order shall: (a) be binding unless given in writing and signed by an authorized officer or agent of the party to be bound thereby; or (b) imply a waiver of that provision for the future or of any other provisions in this Order unless the waiver expressly so states.

20. **Assignment and Subcontracting:** No part of this Order may be assigned or subcontracted by Supplier without the prior written consent of ABRASERVICE. No assignment or subcontracting of all or any part of this Order by Supplier will relieve Supplier from liability under this Order.

21. **Governing Law:** The laws of the jurisdiction applicable to ABRASERVICE's plant site specified on the face of this Order shall apply to and govern the interpretation, validity and enforceability of this Order excluding: (a) that jurisdiction's law of conflicts; and (b) the United Nations Convention on Contracts for the International Sale of Goods. Supplier hereby attorns to the exclusive jurisdiction of the courts of such jurisdiction.

22. **Supplier Indemnity:** Except as expressly prohibited by law, Supplier shall indemnify and hold ABRASERVICE harmless from and against any and all claims, demands, damages, losses, expenses, costs (including legal fees on an attorney/client basis), fines and penalties sustained or incurred by or asserted against ABRASERVICE to the extent based upon, related to or arising out of: (a) any breach by the Supplier of any term, condition, covenant or warranty contained in this Order; (b) any defect in the Goods or Services furnished pursuant to this Order; or (c) any act or omission of Supplier or Supplier's agents, officers, employees or subcontractors in furnishing the Goods and/or Services.

23. **Site Work:** When any aspect of this Order involves attendance at or the performance of Services at ABRASERVICE's plant site, the following additional provisions shall apply: (a) Supplier and its agents, officers, employees and subcontractors shall comply with all plant site rules and all safety and security regulations imposed by ABRASERVICE; (b) Supplier shall take all necessary precautions to prevent the occurrence of any injury to person or property during the performance of the Services; (c) Supplier shall maintain the following insurance during the performance of the Services, and shall provide ABRASERVICE with satisfactory proof of such insurance coverage: (i) general liability insurance covering all sums which Supplier shall become legally liable to pay as damages arising out of property damage, personal injury, bodily injury, sickness or death; (ii) automobile liability insurance covering all sums which Supplier shall become legally liable to pay as damages arising out of bodily injury, sickness or death or property damage, arising out of the operation of owned or non-owned automobiles; (iii) Workers' Compensation Insurance to conform with the laws and limits in accordance with statutory requirements of the applicable jurisdiction and employer's liability insurance covering all sums which Supplier shall become legally liable to pay as damages arising out of bodily injury to or occupational disease of the employees of Supplier or employees of any subcontractor of Supplier; (iv) if the Services require any professional engineering, design, architectural or survey services, professional liability insurance covering all sums which Supplier shall become liable to pay as damages arising out of property damage or personal injury, bodily injury, sickness or death (such policy shall be maintained for 3 years beyond final completion of the Services); (d) all required insurance coverage specified above shall: (i) except as otherwise expressly provided, provide for combined single limit of liability for each occurrence of not less than \$5,000,000.00; (ii) include a waiver of subrogation clause in favor of ABRASERVICE; (iii) name ABRASERVICE as an additional insured with respect to the operations of Supplier; and (iv) provide that at least 30 days written notice shall be given to ABRASERVICE prior to any material change or cancellation of any such policy or policies.