



QRD 60820-00 EN -- GENERAL TERMS AND CONDITIONS OF SALE

EXCEPT AS OTHERWISE AGREED IN WRITING, THESE GENERAL TERMS AND CONDITIONS GOVERN ALL SALES CONTRACTS AND PURCHASE ORDERS FOR MATERIALS SUPPLIED BY A.M. CASTLE & CO., ITS SUBSIDIARIES AND AFFILIATES, TO THE EXCLUSION OF OTHER TERMS AND CONDITIONS. OUR QUOTATIONS AND ESTIMATES ARE NOT OFFERS CAPABLE OF ACCEPTANCE BY YOU, AND ANY ORDER PLACED BY YOU WILL ONLY BE ACCEPTED BY OUR WRITTEN ACKNOWLEDGEMENT OF SUCH ORDER.

1. LIMITED WARRANTY- NOTWITHSTANDING ANYTHING TO THE CONTRARY SET FORTH IN A PURCHASE ORDER, CONTRACT OR OTHERWISE (AN "ORDER"), A.M. CASTLE & CO., ITS SUBSIDIARIES AND AFFILIATES ("CASTLE") WARRANTS ONLY THAT THE GOODS SUPPLIED TO YOU ARE FREE FROM MATERIAL DEFECT AND CONFORM, AT THE TIME OF DELIVERY, TO THE SPECIFICATIONS AND DESCRIPTION OF THE TYPE AND QUALITY SPECIFIED IN WRITING IN THE ORDER, SUBJECT TO TOLERANCES AND VARIATIONS CONSISTENT WITH THE USUAL TRADE PRACTICES. YOU, CASTLE'S CUSTOMER, SHALL HAVE ONE (1) YEAR FROM THE DATE OF DELIVERY TO SUBMIT WARRANTY CLAIMS TO CASTLE. CASTLE HAS NOT AUTHORIZED ANY PARTY TO MAKE ANY REPRESENTATION OR WARRANTY OTHER THAN AS EXPRESSLY SET FORTH HEREIN. ALTHOUGH EMPLOYEES OF CASTLE ARE AVAILABLE FOR CONSULTATION CONCERNING THE SELECTION OF GOODS AND REQUIRED SPECIFICATIONS, THEY ARE NOT AUTHORIZED TO WARRANT THE SUITABILITY OF ANY GOODS FOR ANY PARTICULAR USE OR APPLICATION. FINAL DETERMINATION OF THE SUITABILITY OF THE GOODS FOR THE USE CONTEMPLATED BY YOU IS YOUR SOLE RESPONSIBILITY, AND CASTLE HAS NO RESPONSIBILITY AND MAKES NO WARRANTY OR REPRESENTATION IN CONNECTION WITH THAT DETERMINATION OR WITH REGARDS TO THE FINAL USE OF THE GOODS. IN CASES OF GOODS MANUFACTURED BY COMPANIES WITH WARRANTY POLICIES DIFFERING FROM CASTLE'S, THE APPLICABLE WARRANTY OF THE ORIGINAL MANUFACTURER WILL BE PASSED THROUGH TO YOU.

THE FOREGOING WARRANTY IS EXCLUSIVE AND IS IN LIEU OF ANY OTHER WARRANTY, WRITTEN OR ORAL, EXPRESS, IMPLIED OR STATUTORY, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF EITHER MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CASTLE HEREBY DISCLAIMS AND EXCLUDES ALL OTHER EXPRESS, IMPLIED OR STATUTORY WARRANTIES, ARISING BY OPERATION OF LAW OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COURSE OF DEALING AND USAGE OF TRADE.

In the event of breach of such warranty, provided that Castle's inspectors confirm such breach and you are in compliance with your terms of payment, your sole remedy and Castle's sole responsibility shall be the repair or replacement, at Castle's option and expense, of any nonconforming goods. All warranty claims must be made prior to the installation, transformation, processing, or other use of the goods. Castle's obligation under this warranty shall not include any cost of removal, installation or any other charges or expenses whatsoever. Further, unless agreed otherwise by Castle, goods alleged to be defective must be returned to Castle at your expense; Castle will pay for freight expenses back to you upon confirmation that the defects are subject to warranty. Castle shall be under no liability for breach of the warranty set forth herein to the extent any damage or nonconformity is caused by: (i) improper installation, use, maintenance and/or service; (ii) modification or alternation by other than Castle; (iii) delays in notifying Castle of the alleged defect; and/or (iv) failure to protect and store such goods.

2. RIGHT OF INSPECTION- You must inspect goods delivered and notify Castle, in writing within ten (10) days from receipt of the goods, of any defects or nonconformities in the delivery. Your failure to comply with the terms of this paragraph shall constitute an irrevocable acceptance of the goods as conforming to the specifications and the Order and otherwise to the type and quality specified and bind you to pay the contract price for the goods. If you have accepted the goods tendered under this document in any manner provided in the Uniform Commercial Code, you shall have no right to revoke such acceptance and any claims for nonconforming goods shall be waived.

3. PACKING AND SHIPPING- Unless you have furnished shipping instructions to Castle prior to the time Castle has completed packaging or tagging the goods, Castle may, in its discretion, select the carrier and you shall pay freight charges. Castle shall also be entitled to make additional charges for special packing if (in Castle's sole discretion) special protection is necessary to ensure safe delivery. Weights listed, if any, are approximate.

4. TITLE RISK OF LOSS OR DAMAGE- Title and risk of loss or damage to or destruction of the goods shall pass to you upon delivery of the goods per the agreed Incoterms specified in the Order or, if not therein specified, the Incoterms specified herein. All claims for loss, damage or destruction attributable to shipping by the carrier should be made directly to the carrier and Castle shall not be responsible for any such loss, damage or destruction. The common carrier, although selected by Castle, shall be deemed your agent.

5. DELAY IN DELIVERY- (a) While expected dates of delivery of goods are given in good faith, the same are not of the essence of or in any way terms of the Order or representations of fact. Castle assumes no responsibility or liability for failure to deliver on a particular date. In case of delay by you in furnishing complete schedules or information, delivery dates may be extended for a reasonable time. Subject to subsection (b) of this Paragraph 5, if, because of your inability to take delivery, the goods are not shipped or returned after delivery is attempted, Castle may have them stored for you at your expense, risk and account, and for all other purposes the goods shall be considered "delivered". (b) Notwithstanding the foregoing, if you will not accept ordered goods if shipment is made earlier or later than the date specified, Castle must be notified to that effect in writing when the order is placed. (c) Castle assumes no responsibility or liability for excusable delays, nor shall you refuse to accept delivery because of such delays, including strikes, riots, wars, labor troubles, floods, fires, accidents, delays, contingencies of transportation, governmental acts,

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orders and/or regulations (including any Adverse Change to the International Trade Regime as defined below) and any other causes beyond the control of Castle; and if any such cause prevents or interferes with the delivery of the goods or increases Castle's costs with respect to the goods, you shall (1) accept as full and complete fulfillment of the order the portion of the goods that Castle is able under the circumstances to procure and deliver in accordance with the order and time for delivery shall be extended for such time as shall be reasonably required; and (2) be liable for any additional costs or expenses resulting therefrom. If there is a scarcity in any of its products or goods, Castle will allocate its available supply in its sole discretion. "Adverse Change to the International Trade Regime" shall mean the imposition by the U.S. Government (or branch thereof) or a foreign government (or branch thereof) of additional duties, tariffs, taxes, surtaxes, surcharges and/or penalties on the goods, as a result of any anti-dumping and/or countervailing duty petition, any proceeding, investigation, legislation, executive order, action or declaration pursuant to Section 201 or 301 of the Trade Act of 1974, Section 232 of the Trade Expansion Act of 1962 or any other U.S. or foreign law, regulation, trade agreement, order or declaration.

6. PRICES- All prices are quoted FCA - Castle's shipping point unless otherwise stated on this document. Unless otherwise agreed by Castle in writing, Castle's prices are subject to change without advance notice at any time prior to order acknowledgment. Castle reserves the right to adjust the invoice price, after the price is quoted and/or acknowledged, to take account of any material variation in Castle's costs beyond Castle's reasonable control (including surcharges for increases in packing, storage and shipping) since the date of the quotation or (if no quotation is issued) the order acknowledgement, and the invoice so adjusted shall be payable as if the price set out therein were the original contract price. All sales are subject to increase without notification by the amount of any sales, excise or other tax or duty levied or charged by any governmental agency and are subject to any price adjustment necessitated by Seller's compliance with any government action. Cash discounts, if any, are as agreed in writing and as allowed by Castle (in its sole discretion) at the date of shipment and apply only to Castle's selling price FCA - Castle's shipping point, exclusive of all packing, storage, shipping, insurance or taxes. You are not entitled to any cash discount if you owe Castle any uncontested past due balances.

7. TERMS OF PAYMENT- All Orders shall be subject to credit approval by Seller in its sole discretion. Payment for all goods is due and shall be paid according to the terms appearing on the face of the invoice from Castle, unless terms are not so stated on the invoice, in which case payment shall be due within 30 days of customers receipt thereof. The invoice amount cannot be paid in any other manner than in full when due. On any amount not paid within one (1) day of the date it is due, liquidated damages will accrue and be payable. Liquidated damages shall be interest on the amount due at the maximum rate allowed by law. You shall be liable for all expenses related to collection of past due amounts, including, without limitation, attorneys' fees, third party collection agency fees and costs. If you fail to fulfill the terms of payment, or if at any time before payment in full is made (whether or not payment is yet due) a petition is presented or resolution passed for your bankruptcy, or in the event of the appointment of a receiver or administrator of your business, or, if in Castle's judgment there is reasonable doubt concerning your company's ability to meet its financial responsibilities, Castle may suspend shipment or, at its option, cancel the unshipped balance, without liability and without prejudice to other remedies. Castle reserves the right prior to making any shipments to require from you satisfactory security for performance of your payment obligations. In the event of cancellation in accordance with the provisions hereof, or in the event of non-payment (in full or in part) for the goods by the due date, you hereby irrevocably license Castle or its authorized agents to enter upon any premises to repossess the goods. Notwithstanding any previous shipment on credit, Castle may at any time demand payment on delivery, require payment in advance or upon tender of shipping documents.

8. TAXES- The prices quoted do not include sales, use, value added, excise or other taxes, surtaxes, duties, tariffs and/or surcharges (collectively, "taxes"), unless otherwise stated on the invoice. You shall pay these taxes and any other measured in whole or in part by gross receipts applicable to this transaction, in addition to the quoted purchase price. If you claim exemption from any of these taxes, you shall furnish satisfactory proof of such exemption.

9. CLAIMS AND CREDITS- Castle is not responsible for shortages or errors unless written claims are made to Castle within ten (10) days of your receipt of the goods. In any event, you shall note claims of shortages or damage immediately upon receipt of the goods on the bill of lading or delivery ticket. Damaged goods should not be unloaded until they have been thoroughly inspected and all damages noted on the delivery ticket or bill of lading. If you request that the goods be shipped via common carrier whose charges do not include insurance, Castle will not insure the goods unless specifically instructed to do so by you. All charges relating to insurance of goods will be made to your account and are due and payable upon receipt of Castle's invoice, unless the insurance carrier bills them directly to you.

10. FORECASTS, STOCKING AND TAKE OR PAY REQUIREMENTS- You agree that you are obligated to purchase materials or goods that are purchased or stocked by Castle at your request or against your forecast. Unless you have a written agreement with Castle that provides otherwise, such materials and goods that remain in inventory at Castle more than 6 months will be converted to an Order (subject to agreed or customary payment terms), invoiced in full and shipped to you. You may not cancel such Orders, or refuse delivery, without compliance with Paragraph 11 below. Castle will notify you before stocking or placing new materials or materials on order for approval. If your usage of these materials or goods falls short of expectations or your need for the material ceases to exist, At its discretion, Castle may (but shall be under no obligation) delay the conversion to an Order for up to ninety (90) days and assist you in identifying a cost effective way to liquidate or re-sell such materials or goods. However, since such materials or goods were ordered or stocked specifically for you, you acknowledge that alternatives for resale or liquidation may be limited and Castle will not be held responsible for unsold or undersold inventory of such materials or goods or for any diminution in the

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value or price of such materials or goods.

11. CHANGES OR CANCELLATIONS- You may not change the goods, quantities, specifications, delivery dates or other terms of your Order without Castle's written consent. Castle will, in good faith, attempt to accommodate change requests. However, Castle will be entitled to an equitable adjustment in price and delivery schedule, including compensation for any services, labor, or materials that are discarded or unusable because of such changes requested by you. You may not cancel an Order without Castle's written consent and an agreement in writing covering cancellation charges. Unless a cancellation schedule is agreed in the Order, such agreement for cancellation charges must reimburse Castle for all expenses incurred, including, but not limited to, costs of purchased materials, labor costs, engineering costs, third-party service costs, and a reasonable mark-up to cover overhead and profit; cancellation charges shall be, at a minimum, at least twenty-five percent (25%) of the purchase price of the goods covered by the cancelled Order. You also agree to pay for any material that has been cut or fabricated pursuant to your order that is unusable. Castle agrees to credit you with the scrap value of the material that is discarded.

12. RETURNS- No goods shall be accepted for return without the prior consent, in Castle's sole discretion, and written authorization of Castle. There will be a minimum twenty-five percent (25%) restocking charge on all returned goods accepted by Castle. No returns will be accepted after thirty (30) days from the date of delivery to you. Goods that have been processed, altered or damaged in any way may not be returned.

13. RIGHT OF RESALE- If you breach or repudiate a provision of an Order or fail to comply with an Order, Castle has the right (but not the obligation) to resell the goods that have not already been delivered to you, together with any goods reclaimed by Castle or to which Castle may agree to accept return. The sale may be public or private, wholesale or retail, and Castle may hold more than one (1) sale. In addition, you shall pay Castle the amount by which the price established in the Order exceeds the amount received from the public or private sale, together with all incidental damages occasioned by your default. You agree that five (5) days' written notice of resale (at public or private sale) of any goods pursuant to this paragraph by Castle is reasonable notice.

14. INDEMNIFICATION- You shall indemnify, defend and hold Castle and its owners, officers, directors, employees and agents harmless from and against all loss, liability, cost, damage or expense whatsoever incident to any claim, action, or proceeding (a) arising out of (i) the negligent design or application of goods furnished per your specifications, or (ii) the installation, maintenance, use, fabrication and/or operation of the goods by you or on your behalf; (b) based on the allegation that any of the goods or any part thereof sold hereunder pursuant to your design or specification infringe any patents applied for or issued as of the date of this order or any other intellectual property right of any third party; and/or (c) your breach of the Order and/or these General Terms and Conditions.

15. LIMITATION OF LIABILITY- Castle's total liability for any and all claims, damages, losses, and injuries arising out of or relating to Castle's performance or breach of any term of an Order shall not exceed the price of the goods provided under such Order. IN NO EVENT, WHETHER IN CONTRACT, TORT OR OTHERWISE, WILL CASTLE BE LIABLE FOR LIQUIDATED, INDIRECT, EXEMPLARY, INCIDENTAL, SPECIAL, OR CONSEQUENTIAL DAMAGES, EXPENSES OR COSTS, INCLUDING BUT NOT LIMITED TO: (1) LOSS OF PROFITS, BUSINESS OR GOODWILL; (2) LOSS OF USE OF EQUIPMENT OR FACILITIES; OR (3) LOSS RESULTING FROM UNUSABLE MACHINERY OR FACILITY DOWNTIME, HOWSOEVER CAUSED AND REGARDLESS IF THE POTENTIAL FOR SUCH DAMAGES WAS DISCLOSED AND/OR KNOWN.

16. ASSIGNMENT- You may not assign, novate or otherwise transfer your rights or obligations under an Order without Castle's prior written consent, and any attempt to do so shall be null and void and of no effect.

17. CALIFORNIA PROPOSITION 65- California Proposition 65 ("Prop 65") mandates notices and/or warning labels ("Warning Labels") for consumer products sold in California that contain certain chemicals. Castle has determined that some of the goods it offers for sale may contain such chemicals ("Prop 65 Material"). In order that Castle and you may be in compliance with Prop 65, you represent, warrant and covenant that (a) you will ensure that you and your customers fully comply with Prop 65; (b) you shall not sell (whether directly, via the Internet or otherwise) Prop 65 Material on a retail-basis in California without providing advance notice to Castle, obtaining Warning Labels and affixing Warning Labels on all Prop 65 Material before it is sold on a retail-basis in California; and (c) you will indemnify and hold harmless Castle for all damages, costs and penalties, including legal expenses and attorneys' fees, and/or any action brought by or against Castle relating to your actions or omissions under this paragraph.

18. DISPUTE RESOLUTION- Any action for breach of contract hereunder must be commenced within one year after the cause of action has accrued or they are waived. All disputes arising under or in connection with an Order shall be resolved by (a) good-faith negotiations by knowledgeable, responsible representatives of each party who are fully authorized to settle any such dispute, or (b) in the event such negotiations do not resolve such dispute within a thirty (30) day period (or such longer period as the parties may agree), binding arbitration held in Chicago, Illinois, by a single arbitrator mutually agreed by the parties, conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Each party shall bear its own costs of these procedures; the parties shall equally split the fees of the arbitration and the arbitrator. Notwithstanding the above, either party shall have the right to seek a temporary restraining order, or an injunction related to the purposes of the Order, to compel compliance with confidentiality obligations, or to file suit to compel compliance with this dispute resolution process.

19. WAIVER- No waiver of any breach or default of yours under these terms and conditions operates as a waiver of any future
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default, whether of a like or different character, except as otherwise provided in these terms and conditions.

20. ATTORNEYS' FEES- In the event it becomes necessary for Castle to retain legal counsel, engage any other third party or otherwise incur expenses to (a) implement collection procedures, (b) undertake litigation, (c) otherwise protect Castle's rights under the Order or (d) defend itself against claims for which you are directly or indirectly responsible, you shall fully reimburse Castle, within thirty (30) days of Castle's written request, for such attorneys' fees and related costs.

21. APPLICABLE LAW- The laws of the State of Illinois shall govern these General Terms and Conditions of Sale and any Order placed pursuant hereto, and the federal courts of the Northern District of Illinois shall be the exclusive venue and jurisdiction.

22. SEVERABILITY- If any provision of these terms and conditions as applied to any party or to any circumstance shall be found by a court to be void, invalid or unenforceable, it shall not affect the validity or enforceability of any other provision of these terms and conditions or the application of any such provision in any other circumstances.

23. RECORD RETENTION- Castle's retention, storage, and destruction of records, documents, and information shall be governed exclusively by Castle's internal document retention policies and schedules, as amended from time to time, and applicable law. Castle shall have no obligation to retain any records, documents, or information beyond the periods required by such policies, schedules, or applicable law, notwithstanding any contrary provision contained in any Order, purchase order, customer terms and conditions, audit requirement, or other document.

24. ENTIRE AGREEMENT- The terms and conditions set forth here, together with the commercial terms on the face of the Order and Order Acknowledgement, constitute the entire agreement between Castle and you relating to the sale of the goods. An acceptance of any part of the goods covered hereunder shall be deemed to constitute assent to these General Terms and Conditions. These General Terms and Conditions prevail over any and all terms contained in your purchase order or acknowledgements, unless explicitly stated to the contrary in a writing executed by Castle. Any additional and/or different terms and conditions proposed by you and/or any attempt by you to vary any of these terms and conditions shall be deemed a material alteration and is hereby objected to and rejected unless expressly agreed by Castle in writing. Only variations or modifications to an Order made in writing and signed by both parties shall be enforceable.

