

PURCHASE ORDER TERMS AND CONDITIONS

JAMES STEEL & TUBE CO. (“BUYER”) IS BARGAINING FOR AND WILL DO BUSINESS ONLY ON THESE TERMS AND CONDITIONS (THESE “TERMS”), AND BUYER’S AGREEMENT TO PURCHASE GOODS AND/OR SERVICES IS EXPRESSLY SUBJECT TO AND CONDITIONED UPON THE SELLER OF ANY GOODS AND/OR SERVICES (“SELLER”) FROM BUYER CONSENTING TO THESE TERMS. ANY AND ALL TERMS AND CONDITIONS INCLUDED ON THE SELLER’S PROPOSAL, QUOTE, SALE’S ORDER ACKNOWLEDGEMENT, SELLER’S TRANSMITTAL OR OTHER SELLER DOCUMENTATION ARE EXPRESSLY REJECTED AND ARE NOT BINDING ON JAMES STEEL & TUBE CO. NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IF A WRITTEN CONTRACT SIGNED BY BOTH PARTIES IS IN EXISTENCE COVERING THE SALE OF GOODS COVERED HEREBY, THE TERMS AND CONDITIONS OF SAID CONTRACT SHALL PREVAIL TO THE EXTENT THEY ARE INCONSISTENT WITH THESE TERMS.

1. Agreement and Acceptance-Seller agrees to sell and deliver the goods or services specified in this Purchase Order in accordance with these terms and conditions and meeting the quality requirements and in the quantities specified in this Purchase Order and any documents such as technical specifications or standards referenced herein. This document and any referenced documents constitute the entire agreement of the parties and supersede all prior negotiations or documents. Seller’s acceptance of this order is expressly limited to the terms of this order, and Seller acknowledges its acceptance of this order by delivery of goods, rendering of services, or the commencement of work on goods to be specially manufactured for Buyer pursuant to this order.

2. Price and Payments-Prices contained in this order and/or attached schedules are firm and are not subject to change without Buyer’s written approval. All prices are FOB Buyer’s plant unless otherwise specified. Supplier warrants that the prices for the goods and services sold to Buyer are no less favorable than Supplier currently extends to any other customer for the same or similar goods or services in similar quantities. If Supplier reduces its prices to others for the same or similar goods or services during the term of this order, Supplier will immediately reduce the prices to Buyer for such goods or services. Supplier warrants that prices shown on this order are complete, and that no additional charges of any type will be added without Buyer’s express written consent. Buyer will make all payments to Supplier within agreed number of days net proximal from the date of Supplier’s invoice, unless expressly stated to the contrary on the front of this Purchase Order.

3. Delivery-Time is of the essence, and deliveries are to be made both in the quantities and at the dates specified by Buyer. Buyer will not pay for material or items delivered to Buyer which are in excess of quantities specified in this order. Buyer may, from time to time, change delivery schedules to direct temporary suspension of scheduled shipments upon prior written or verbal notice. If Supplier fails to make deliveries or perform services at the agreed time, all damages suffered by Buyer and any additional transportation or other costs required to meet the specified delivery schedule will be at the expense of the Seller.

4. Packing, Marking, and Shipment-Supplier will pack and mark goods and make shipments in accordance with Buyer’s instructions, meet carrier requirements and assure delivery free of damage and deterioration. All shipments to Buyer’s plants must include a packing slip and/or bills of lading. Whenever shipment is made by truck, Supplier will enclose a packing slip in an envelope to Buyer’s traffic representative upon arrival at Buyer’s plant. Supplier is responsible for all risks to the goods until delivery and acceptance at the designated FOB point. Buyer will not be responsible for delays in the payment of invoices if the following requirements are not met. Invoices and packing slips must bear the Purchase Order number, part number, quantity buys or the release number on blanket orders, the “ship-to” address, Buyer assigned plant location, and address to invoice.

5. General Warranty- Supplier warrants that the goods or services will (I) comply with all specifications, drawings, descriptions, or samples furnished and/or specified by Buyer, (II) be merchantable, and (III) be free from defects in materials and workmanship. Supplier further warrants that all goods not designed by Buyer will be fit and sufficient for the purpose intended. The warranty term will be coterminous with the warranty extended to Buyer’s customers by Buyer. Supplier’s liability for a breach of the warranties given herein will be determined by Buyer’s analysis of a sample of products against which claims are made that the products are defective. Supplier will participate in such analysis in accordance with Buyer’s procedures. Supplier further warrants that on delivery Buyer will receive good and merchantable title to the goods and services, free and clear of all liens, and encumbrances of any kind. These warranties are in addition to any warranties implied by law or otherwise made by Supplier and will survive acceptance and payment by Buyer.

6. Inspection and Claims-All goods are subject to Buyer’s inspection and rejection. Defective goods not in accordance with Buyer’s specifications will be held for Supplier’s instruction and at Supplier’s risk and if Supplier so directs, will be returned at Supplier’s expense. Payment for goods on this order prior to inspection does not constitute acceptance or remove Supplier’s responsibility for latent defects. This order is issued for the product specifically identified in this order, and any substitution of material, without prior Buyer approval, will be considered a breach of this order. Supplier will defend, indemnify, and hold Buyer harmless against all claims, liability, losses, damages, and settlement expenses in connection with any breach by Supplier of these general conditions or for injury or death of any person and damage or loss of any property allegedly or actually resulting from or arising out of any act, omission or negligent work of Supplier or its employees, agent, or subcontractors in connection with performing this order.

7. INDEMNIFICATION. Seller agrees to defend, indemnify, and hold Buyer, its parent and subsidiary entities, and its and their employees, direct or indirect customers and users, successors and assigns, harmless against any claims or demands, action or proceeding, liability, loss or expense whatsoever, including all attorneys’ fees, arising from or related to any actual or alleged (a) defect in goods, (b) failure to comply with specifications in the Purchase Order or with the express and implied warranties of Seller, or any of the terms of this Agreement, (c) act or omission of Seller related to the provision, sale or use of goods, (d) violation by goods, or in their provision, manufacture or sale, of any statute, ordinance or administrative order, rule or regulation, or (e) infringement by any goods of any patent, trademark, or other trade designation, trade secret, copyright, or other intellectual property right, which shall have been in effect at the time the Purchase Order is accepted by Seller (other than infringement related solely to specifications provided by Buyer). If any claim, demand, action or proceeding is commenced against Buyer by reason of any of the above matters, Buyer agrees to give Seller notice thereof in writing; provided, however, that any failure by Buyer to give such notice will only relieve Seller of liability if and only to the extent that Seller is directly and materially prejudiced thereby.

8. INSURANCE. Seller shall, at its own expense, maintain and carry insurance in full force and effect in accordance with the requirements found in Buyer’s document entitled “Insurance Requirements,” attached hereto as Exhibit A, and annually provide Buyer a certificate of insurance evidencing compliance with such requirements. Seller shall provide Buyer with thirty (30) days’ advance written notice in the event of a cancellation or material change in Seller’s insurance policy. Under no circumstances shall Buyer be required to provide additional insured status to Seller, nor shall Buyer’s insurer be required to waive subrogation rights against Seller or Seller’s insurer. Buyer shall only be required to maintain insurance that is consistent with its own usual internal policies.

9. Assignment-This order or any rights or interest in it may not be assigned, delegated or transferred as part of a sale of the Supplier or its business, stock or assets without Buyer’s prior written consent.

10. Termination at Buyer’s Option- Buyer may terminate this order at any time without cause in whole or in part by written notice. Supplier will stop work on the date and to the extent specified in such notice and terminate all order and subcontracts that relate to the terminated order. Buyer will pay Supplier of finished work accepted by Buyer as well as for the documented cost to Supplier of work in process and raw material allocable to the terminated work which is not in excess of any prior Buyer authorization. Payment made under this paragraph will not apply to any cancellation by Buyer for default by Supplier or for any other cause recognized by law or specified by this order. If Supplier (I) fails to deliver goods or perform services at the time specified herein or fails to make progress so as to endanger performance of the work or impair delivery dates, or (II) fails to perform any other provisions hereof and does not cure such failure within a period of ten (10) days after receipt of written notice from Buyer specifying such failure, or (III) becomes financially unstable, insolvent, makes an assignment in favor of creditors, or enters bankruptcy or dissolution procedures, or (IV) is merged into another company and/or is expropriated or nationalized, Buyer may cancel the whole or any part of this order without any liability, except for payment due for goods and services delivered and accepted to date. Upon such termination, Buyer will have the right, and on notice to Supplier, to take title to and possession of all or any part of such materials, work in process or finished goods performed by Supplier under this order, any special tooling and all drawings, technology and information furnished by Buyer.

11. Remedies-The rights and remedies reserved to Buyer are cumulative and in addition to any other rights and remedies available at law or in equity. No waiver of any breach of any provision of this order will constitute a waiver of any other breach or a waiver of such provision.

12. Governing Law-This Purchase Order/Contract will be construed and interpreted according to the laws of the State of Michigan.
Effective 10.31.2024.

EXHIBIT A

Insurance Requirements

INSURANCE TYPE	Required Limits			
	Contractor	Professional Service Provider	Transportation	Material Providers
Worker's Compensation	Statutory	Statutory	Statutory	N/A
Employer's Liability (Coverage B)	\$500,000 - Each Accident \$500,000 - disease policy limit \$500,000 - disease each employee	\$500,000 - Each Accident \$500,000 - disease policy limit \$500,000 - disease each employee	\$500,000 - Each Accident \$500,000 - disease policy limit \$500,000 - disease each employee	N/A N/A N/A
Commercial General Liability (Including Contractual Liability, Bodily Injury and Property Damage Combined, and Personal Injury)	\$1,000,000 Each Occurrence or limits sufficient to be scheduled under the umbrella policy \$2,000,000 Annual Aggregate	\$1,000,000 Each Occurrence or limits sufficient to be scheduled under the umbrella policy \$2,000,000 Annual Aggregate	\$1,000,000 Each Occurrence or limits sufficient to be scheduled under the umbrella policy \$2,000,000 Annual Aggregate	\$1,000,000 Each Occurrence or limits sufficient to be scheduled under the umbrella policy \$2,000,000 Annual Aggregate
Business Automobile Liability	\$1,000,000 Combined Single Limit	\$1,000,000 Combined Single Limit	\$1,000,000 Combined Single Limit	N/A
Excess Liability Coverage (Umbrella)	\$5,000,000 Each Occurrence \$5,000,000 Annual Aggregate	\$1,000,000 Each Occurrence \$1,000,000 Annual Aggregate	\$5,000,000 Each Occurrence \$5,000,000 Annual Aggregate	\$5,000,000 Each Occurrence \$5,000,000 Annual Aggregate
Professional Liability (if applicable)	\$1,000,000 Each Claim \$1,000,000 Annual Aggregate	\$5,000,000 Each Claim \$5,000,000 Annual Aggregate	N/A N/A	N/A N/A
Contractors Pollution Legal Liability (if applicable)	\$1,000,000 Each Accident \$1,000,000 Annual Aggregate	\$1,000,000 Each Accident \$1,000,000 Annual Aggregate	N/A N/A	N/A N/A

- Buyer shall be named as an Additional Insured under all required policies, other than worker's compensation/employers' liability and professional liability. If the supplier qualifies as a contractor, the general liability policy must be endorsed with ISO forms CG 20 10 07 04 and CG 20 37 07 04 or their equivalent.
- All insurance policies requiring additional insured status shall be primary and non-contributory in favor of Buyer.
- Any claims-made coverage must continue for a minimum of two years after the completion of the project.
- All insurance policies must be underwritten by a company with a minimum A.M. Best Rating of A- VII.
- Certificates evidencing the above coverages must be furnished to Buyer prior to the commencement of any work and on an annual basis thereafter.
- Waiver of subrogation in Buyer's favor under the worker's compensation policy if coverage is required above.