



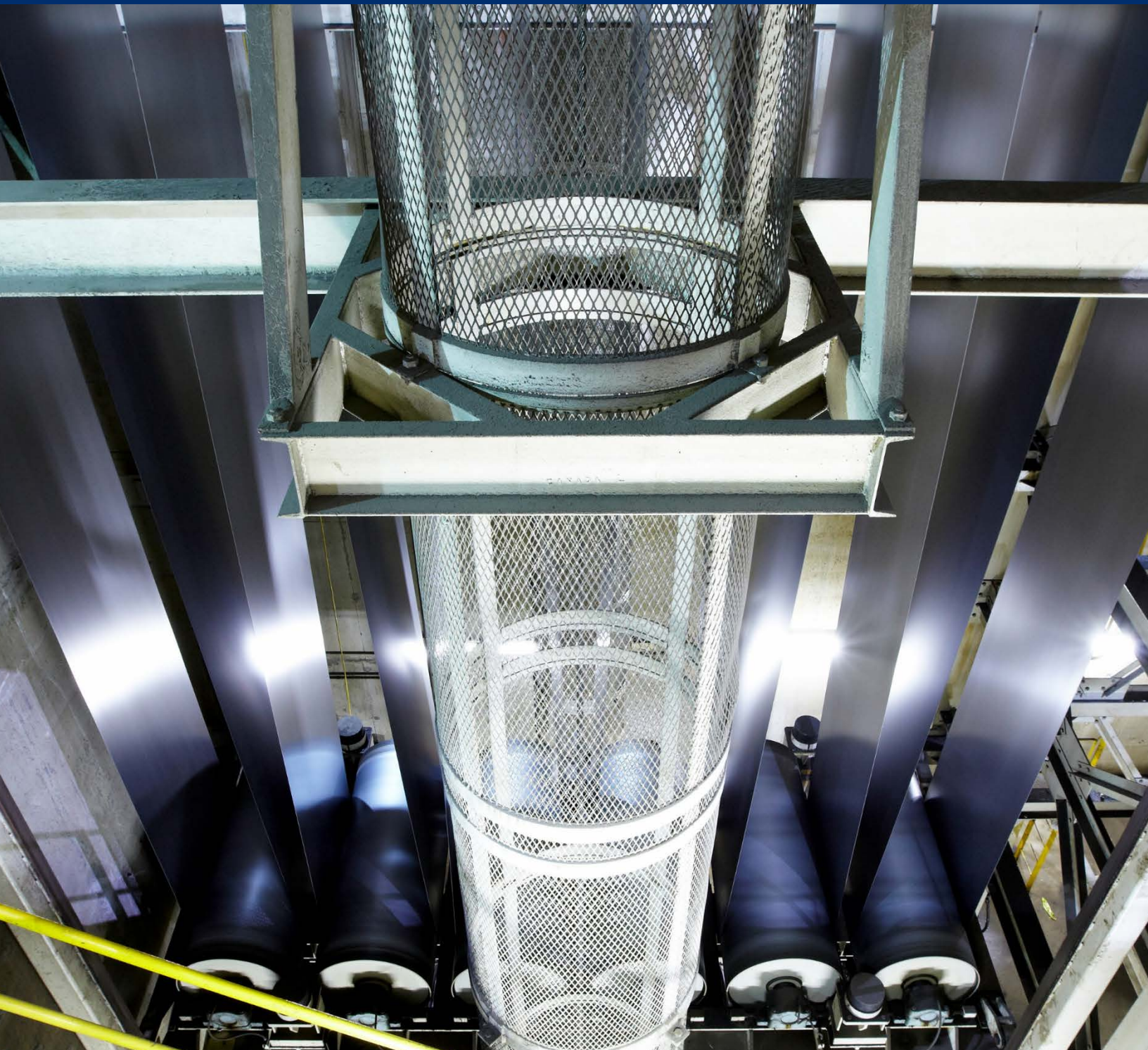
The Steel Company of Canada

## General Price Book - Flat Rolled Products



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# FLAT ROLLED PRODUCTS



## Hot Rolled Sheet Steel

Hot Rolled Sheet Steel is an unprocessed, mill edge coiled product and does not include any processing such as temper rolling, tension leveling, pickling, oiling or side trimming. Hot Rolled products are produced to ASTM Specifications A1011, A659, A635 or A1018. Product is sold on an actual weight basis and is typically ordered to a minimum thickness. Product is provided with an ID that can vary from 24" to 30" ID. All Extras are \$ per 100 lbs.

**Width/Thickness** (dimensions are in inches) Not all width/thickness combinations are available at each producing location.

Minimum Thickness		Nominal Thickness		Width Range				
Under	Thru	Under	Thru	30 - <36	36 - <42	42 - <48	48 - 72	Over 72
Thicker than	0.625		0.640	Inquire	5.00	2.50	2.00	N/A
0.625	0.501	0.640	0.511	5.50	4.50	2.00	0.50	0.50
0.501	0.083	0.511	0.090	5.00	4.00	1.50	Base	0.50
0.083	0.071	0.090	0.077	6.00	5.00	2.50	1.50	N/A
0.071	0.061	0.077	0.067	7.00	6.00	3.50	3.00	N/A

## Processing Extras

Specified ID	1.75
Temper Rolling	1.25
Pickling - mill edge	2.00
Tension Leveling	3.00
Recoil	1.75
Cut Edge - Not Pickled	2.50
Cut Edge - Pickled (in addition to Pickle extra)	0.50

## Quality and Grade/Chemistry Extras

Specified or Non-standard chemistries must be inquired and may result in additional charges and minimum quantities.

Steel Designation	
Commercial Steel (CS or CS Type B)	Base
Drawing Steel (DS Type B)	0.60
Extra Deep Drawing Steel (EDDS)	2.75
Boron - Minimum specified	1.10
Copper - Minimum specified $\leq 0.20\%$	1.50
Copper - Minimum specified $> 0.20\%$	2.25
Copper - restricted to $< 0.020\%$	Inquire

High Strength Low Alloy Grades (HSLA):		
See Test note	XK	XF
HSLA Grade $\leq 40$	1.00	1.50
HSLA Grade 45	1.25	1.75
HSLA Grade 50	1.75	2.25
HSLA Grade 55	2.25	2.50
HSLA Grade 60	3.00	3.25
HSLA Grade 65	3.25	3.75
HSLA Grade 70	-	4.50
HSLA Grade 80	-	6.00
HSLA $\geq$ Grade 90	-	Inquire

Carbon Grades (SAE):	
1004 – 1009	Base
1010 – 1025	0.50
1026 – 1035	1.50
10BXX	Inquire
1036 – 1050	Inquire

# FLAT ROLLED PRODUCTS



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**Structural Steel A1011 (SS):**

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*See Test note*

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SS 30, 33, 36, 40 & 45	0.50
Conversion to A36	0.50
SS Grade 50	1.25
SS Grade 55	1.50

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**Other:**

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Alloy Grades	Inquire
High Mn Carbon Steel grades thru SAE No. 1527	Inquire
Specified Hardness (Minimum, maximum or Range)	0.75
Conversion to A414 Gr A-G (chemistry only)	1.50
ASTM A414 Gr A-G Certified (temper roll mandatory)	2.75
Inclusion Shape Control	0.50
AHSS - all grades	Inquire
JIS/JSA/EU specifications	Inquire

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**Test note:** *HSLA and SS grade extras include mechanical properties testing and certification.*

## Surface Treatment & Finish Extras

Oil (Specified Type)	Inquire
Prelube (Type not specified)	0.60
Prelube (Specified Type)	Inquire
Critical Surface	Inquire
Other	Inquire

## Testing Extras

Certified Chemistry (Heat analysis - one ladle test per heat)	Base
Standard Test Reports where requested	0.25
Additional Testing	Inquire

## General Extras

PIW less than 750	1.00
Restrictive Thickness Tolerance	1.50
Order Quantity less than 40 Tons per order item	1.25
Restricted Mechanical Properties	Inquire
Slit Coil	Inquire

## Hot Dipped Galvanized and Galvannealed

Hot Dipped Galvanized Sheet or Galvannealed Sheet product (produced to ASTM A653 and A924) is sold on an actual weight basis and typically ordered to a minimum thickness. The Base Price for Hot Dipped Galvanized Sheet ("G" designation coatings) is established for a CS Type B Sheet in coil form. All Extras are \$ per 100 lbs.

Galvannealed ("A" designation coatings)	0.50
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**Width/Thickness** (dimensions are in inches) Not all width/thickness combinations are available at each producing location.

Minimum Thickness		Nominal Thickness		Width Range					
Under	Thru	Under	Thru	24 - <30	30 - <36	36 - <40	40 - <50	50 - <63	63 - 72
Thicker than	0.028	Thicker than	0.029	3.00	1.50	1.00	Base	Base	1.00
0.028	0.022	0.029	0.023	4.00	2.50	2.00	1.50	1.50	1.50
0.022	0.019	0.023	0.020	6.50	5.00	3.75	2.00	2.00	2.00
0.019	0.017	0.020	0.018	7.00	6.00	5.00	2.75	2.75	N/A
0.017	0.015	0.018	0.016	8.50	8.00	7.00	3.50	3.50	N/A
0.015	0.014	0.016	0.015	9.50	9.00	8.00	4.00	4.00	N/A
0.014	0.013	0.015	0.014	10.50	10.50	9.00	6.00	6.00	N/A

## Processing Extras

Non Standard ID (3 line standard 20", Z line standard 24")	1.75
Tension Leveling	3.00
Recoil	1.75

## Quality and Grade/Chemistry Extras

Specified or Non-standard chemistries must be inquired and may result in additional charges and minimum quantities.

Steel Designation	
Commercial Steel (CS)	Base
Forming Steel (FS)	0.60
Deep Drawing Steel (DDS)	1.50
Extra Deep Drawing Steel (EDDS)	2.75
AHSS	Inquire

High Strength Low Alloy Grades (HSLA):		
See Test note	XK	XF
HSLA Grade 40	3.40	3.90
HSLA Grade 50	3.90	4.40
HSLA Grade 60	4.40	4.90

Carbon Grades (SAE):	
1006 – 1009	Base
1010 – 1021	0.75

Structural Steel A1011 (SS):	
See Test note	
Grade 33	Base
Grades 37, 40	0.75
Grades 50, 55	1.50
Grade 80	0.50

Bake Hardenable and Dent Resistant	
See Test Note	
BH 180, 210	2.25



# FLAT ROLLED PRODUCTS



## Coating Weight

ASTM A653 Designation				Ordered Coating Category							
Minimum Thickness		Nominal Thickness		G30	G40	G60	G90	G115	G140	G185	G210
				Z001	Z120	Z180	Z275	Z350	Z450		
Under	Thru	Under	Thru	40/40	45/45 – 70/70	90/90 – 98/98					
0.085	0.060	0.087	0.062	2.90	2.90	4.00	5.65	7.40	9.55	10.35	Inquire
0.060	0.044	0.062	0.045	4.10	4.10	5.50	7.85	10.20	13.15	15.00	Inquire
0.044	0.036	0.045	0.037	4.50	4.50	6.45	9.05	13.15	16.90	17.75	Inquire
0.036	0.032	0.037	0.033	5.00	5.00	7.15	10.15	13.20	17.05	18.00	Inquire
0.032	0.028	0.033	0.029	5.60	5.60	7.95	11.25	14.55	17.25	18.85	Inquire
0.028	0.025	0.029	0.026	6.45	6.45	9.10	13.00	16.85	19.95	Inquire	Inquire
0.025	0.022	0.026	0.023	7.05	7.05	10.05	14.35	18.50	Inquire	Inquire	Inquire
0.022	0.020	0.023	0.021	7.95	7.95	11.25	16.00	20.80	Inquire	Inquire	Inquire
0.020	0.018	0.021	0.019	8.85	8.85	12.50	17.75	22.25	Inquire	Inquire	Inquire
0.018	0.016	0.019	0.017	9.75	9.75	13.75	19.60	24.50	Inquire	Inquire	Inquire
0.016	0.015	0.017	0.016	10.55	10.55	14.80	21.20	26.50	Inquire	Inquire	Inquire
0.015	0.014	0.016	0.015	11.15	11.15	15.65	23.25	28.00	Inquire	Inquire	Inquire
0.014	0.013	0.015	0.014	13.90	13.90	16.60	24.65	N/A	N/A	N/A	N/A

## Surface Treatment

Oil	Base
Standard Passivation Treatment (Chemical Treatment)	Base
Chemical Treat Dry – GA	Inquire
Non-Chem Treat Dry	Inquire
Prelube (Type not specified)	0.60
Prelube (Specified type)	Inquire

## Finish Extras

Regular of Minimum Spangle	Base
Extra Smooth (Temper Rolled)	0.50
Auto Exposed	5.50
PFQ	0.50

## Testing Extras

Certified Chemistry (Heat analysis - one ladle test per heat)	Base
Mechanical Properties (unless required by the spec)	0.50
Additional Testing	Inquire

## General Extras

PIW less than 400	1.25
Restrictive Thickness and/or Width Tolerance	1.25
Order Quantity less than 40 Tons per order item	1.25
Restricted Mechanical Properties	Inquire
Side Trimming (excludes freight)	3.00
Slit Coil	Inquire

## General Pricing Notes

1. Ordered max coil weights must match ordered quantities and must be compatible with the mode of transportation.
2. Coil weight guidelines: A full weight coil, with or without welds, is any coil weighing more than 75% of the specified or required maximum coil weight. Orders will not be accepted for a minimum coil weight or exact weight coils. Light weight coils accruing from production will be shipped up to 20% of the ordered item weight. A light weight coil is any coil between 50% and 75% of the specified or required maximum coil weight.
3. Not all thickness/width/grade combinations are available at each producing unit.
4. Stelco will not guarantee specific producing mill requests.
5. Order obligation is not recognized until mill acceptance.
6. Order quantities less than 40 tons per item (one size, grade, destination and delivery date) will be assessed an extra of \$1.25.
7. Permissible variation from the ordered quantity is:
  - 120,000 lbs and over 5% over and 5% under
  - Under 120,000 lbs to 80,000 lbs 10% over and 5% under
  - Under 80,000 lbs to 25,000 lbs 15% over and 10% under
8. Some grades will be subject to heat lot or tundish lot quantities which could vary by producing location. Heat lot grades require a 750 ton minimum quantity.
9. Non-standard packaging requirements will be inquired and subsequent extras will apply.
10. An order quantity or delivery date cannot be changed if the date of requested change is within the above standard lead times. Items requiring Outside Processing will extend these lead times.
11. All available finished inventory that is not released for delivery will automatically be billed and/or shipped to the customer based on order promise.
12. Unless otherwise ordered by the customer, all product is made to ASTM Standard tolerances.
13. Stelco terms and conditions of sales will apply to all shipments.

## STANDARD TERMS AND CONDITIONS OF SALE

Governing Sales Made by Stelco Inc.

### 1. Payments:

Payments shall be made in Canadian currency or U.S. currency, as the case may be, as shown in the Seller's invoice or EDI payment instructions, and directed to the payment address, lockbox or other means specified in Seller's invoice or EDI payment instructions. Buyer shall make such arrangements for payment as Seller shall from time to time reasonably require and Seller may suspend scheduling, production, shipment or delivery of goods until such arrangements are made. If Seller reasonably believes that Buyer is, or may become, unable to perform its obligations hereunder, Seller may require that Buyer provide Seller with security for, or other assurance of, performance, in either case acceptable to Seller, acting reasonably. If Buyer fails to provide such security or assurance or fails to make payment in full within the time period set forth on the invoice or expressly agreed upon in writing by the parties, any such failure will constitute a material breach of contract by Buyer permitting Seller or Seller's affiliates to suspend scheduling, production, shipment or delivery of goods under this contract or any other contract between Buyer and Seller or Seller's affiliates. Buyer shall pay to Seller interest on any past due amount at the maximum rate permitted by law or the Prime Rate in effect charged by The Toronto-Dominion Bank (or any successor institution) on the first day of the month such amounts first become past due plus 3.5%, whichever is less. Seller shall have, in addition, all other remedies available to Seller at law, equity or under this contract. If Seller takes legal action to collect any amount due hereunder, Buyer shall pay all dispute resolution costs, including court costs, plus reasonable legal fees incurred by Seller in bringing such legal action. Seller shall have the right to set off against any monies due Seller hereunder any obligations of Seller or its affiliates to Buyer.

### 2. Taxes:

To the extent legally permissible, all present and future taxes, duties and tariffs imposed by any national, federal, provincial, state or municipal authority of any country which Seller may be required to pay or collect, upon or with reference to the sale, purchase, transportation, delivery, storage, use or consumption of the goods or services, including taxes upon or measured by the receipts therefrom (except net income and capital taxes) shall be for the account of Buyer.

### 3. Risk of Loss; Incidental Transportation and Storage Charges; Title:

Risk of loss shall pass to Buyer upon tender of delivery at the delivery point specified in this contract. Any charges at the delivery point for spotting, switching, handling, storage and other accessorial services, and demurrage, shall be for Buyer's account. Seller shall have the right to assess storage and handling charges for goods left in Seller's possession after notification to Buyer that the goods are available to ship. Title to the goods shall pass to Buyer upon Seller's receipt of full payment for the goods.





## **4. Time of Shipment and Shipping:**

Except with respect to payment of amounts due by Buyer to Seller hereunder, time is not of the essence hereunder. Each shipment is a separate sale. Seller reserves the right to ship all or any part of the goods from any shipping point other than the shipping point or points specified herein. Shipment in installments is permitted. Buyer shall furnish shipping instructions to enable Seller to perform the contract in accordance with its terms. Failure by Buyer to do so shall entitle Seller, in addition to all other rights, to cancel such portion of the contract that has not been performed, or to make shipment in such manner as Seller may elect. Seller will use reasonable efforts to comply with Buyer's requests regarding transportation, but Seller reserves the right to make alternate transportation arrangements, even if at a higher cost to Buyer, if the transportation specified by Buyer is deemed by Seller to be unavailable or unsatisfactory. Seller shall notify Buyer of any such change within a reasonable time.

## **5. Specification Variations:**

Except in the particulars specified by Buyer and expressly agreed to in a writing signed by Seller, the goods furnished hereunder shall be produced in accordance with Seller's standard practices. All goods, however, including those produced to meet an exact specification, shall be subject to Seller's mill tolerances and variations consistent with good mill practice in respect of: (a) dimension, weight, straightness, section, composition and mechanical and/or physical properties; (b) normal variations in surface and internal conditions and in quality; (c) deviations from tolerances and variations consistent with practical testing and inspection methods; and (d) regular mill practice on over and under shipment.

## **6. Inspection:**

Where mill inspection is made by Buyer, Buyer's inspector shall be deemed the agent of Buyer with authority to waive specified tests and details of test procedure and to accept goods as conforming to this contract with respect to all characteristics of such goods for which such inspection is made. In all cases Buyer shall conduct a timely inspection of the goods upon receipt or within a commercially reasonable time and manner not to exceed fifteen (15) days from such receipt. Buyer's use of the goods in its production operations shall be deemed an acceptance of the goods involved as conforming to this contract unless Buyer provides Seller written notice of rejection or of a nonconformity respecting such goods prior to or concurrent with Buyer's use thereof.

## **7. Force Majeure, Allocation of Production:**

In the event either party's performance hereunder is delayed or made impossible or commercially impracticable due to causes including fire, explosion, war, terrorism, strike or other differences with workers, shortage or interruption of energy sources, facility, material or labour, delay in or lack of transportation, temporary or permanent plant shutdown, breakdown or accident, compliance with or other action taken to carry out the intent or purpose of any law, regulation, or other requirement of any governmental authority, or any cause beyond that party's reasonable control (each, a "force majeure



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event”), that party shall have such additional time in which to perform this contract as may be reasonably necessary under the circumstances. However, the obligation of Buyer to pay for goods delivered is never suspended or delayed. In addition, if due to a force majeure event or any other cause, Seller is unable to produce sufficient goods to meet all demands from customers and internal uses, Seller shall have the right to allocate production among its customers and plants in any manner which Seller may determine, acting reasonably.

## **8. Patent Indemnity:**

Buyer shall indemnify Seller with respect to a claim arising out of Seller’s compliance with special designs or specifications furnished by Buyer, now or hereafter forming a part of this contract, or with other written instructions given by Buyer for the purpose of directing the manner in which Seller shall perform this contract.

## **9. Warranty; Disclaimers:**

SELLER WARRANTS THAT THE GOODS FURNISHED HEREUNDER WILL, SUBJECT TO THE VARIATIONS CONTEMPLATED BY SECTION 5 OF THESE TERMS AND CONDITIONS, BE FURNISHED IN ACCORDANCE WITH THE SPECIFICATIONS SET FORTH OR INCORPORATED BY EXPRESS REFERENCE ON THE FACE OF ANY OFFER, ACCEPTANCE OR ORDER ACKNOWLEDGEMENT (AS THE CASE MAY BE) ISSUED BY SELLER THAT INCORPORATES THESE STANDARD TERMS AND CONDITIONS OF SALE BY REFERENCE. HOWEVER, NO WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE NOR ANY OTHER REPRESENTATION OR WARRANTY, WHETHER EXPRESS OR IMPLIED, IS MADE RESPECTING SAID GOODS, OR THE PRODUCTION THEREOF AND THERE ARE NO WARRANTIES WHICH EXTEND BEYOND THE AFOREMENTIONED WARRANTY WITH RESPECT TO SPECIFICATIONS SET FORTH OR INCORPORATED BY EXPRESS REFERENCE ON THE FACE OF ANY OFFER, ACCEPTANCE OR ORDER ACKNOWLEDGEMENT (AS THE CASE MAY BE) ISSUED BY SELLER THAT INCORPORATES THESE STANDARD TERMS AND CONDITIONS OF SALE BY EXPRESS REFERENCE. ANY TECHNICAL ADVICE PROVIDED BY SELLER WITH RESPECT TO THE USE OF GOODS SOLD HEREUNDER SHALL BE FOR INFORMATIONAL PURPOSES ONLY, AND SELLER MAKES NO REPRESENTATION OR WARRANTY, NOR ASSUMES ANY OBLIGATION OR LIABILITY, FOR ANY SUCH ADVICE. NOTWITHSTANDING ANYTHING TO THE CONTRARY, NO REPRESENTATION OR WARRANTY WHATSOEVER IS PROVIDED WITH RESPECT TO ANY GOODS SOLD ON AN ‘AS IS’ BASIS OR WITH RESPECT TO MATERIALS COMMONLY KNOWN AS ‘NONPRIME’, ‘SECONDARY’ OR ‘DECLASSED’ MATERIALS.

## **10. Limitation of Remedies:**

Seller will replace, at the delivery point specified herein, any goods furnished hereunder that are confirmed by Seller to be defective or otherwise fail to conform to Seller’s warranty or this contract, or, at Seller’s option, Seller will repay the price paid for such goods plus any transportation charges paid by Buyer in addition to such price and less any scrap value if authorized by Seller and realized and demonstrated by Buyer for such goods. Claims for damaged or non-conforming goods must be made, in writing, promptly, and in no event later than ten (10) days following delivery of the goods to Buyer or all such claims shall be



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deemed waived. Buyer shall set aside, protect, and hold such goods without further processing until Seller has an opportunity to inspect and advise of the disposition, if any, to be made of such goods. In no event shall any goods be returned, reworked, or scrapped by Buyer without the express written authorization of Seller. Buyer's exclusive remedies with respect to any goods furnished by Seller hereunder that are found to be defective or otherwise not in conformity with Seller's warranty or this contract shall be limited exclusively to the right to replacement thereof or, at Seller's option, to repayment of the price, as above provided. Seller's maximum liability for any other breach of this contract shall be limited to the difference between the delivered price of the goods covered hereby and the market price of such goods at Buyer's destination at the time of such breach. IN NO EVENT SHALL SELLER BE LIABLE FOR PERSONAL INJURY, PROPERTY DAMAGE, LOSS OF PROFIT, DELAY, OR ANY SPECIAL, EXEMPLARY, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES WHETHER ARISING FROM CONTRACT, BREACH OF CONTRACT, TORT, SELLER'S NEGLIGENCE, STRICT LIABILITY, OR ANY EXPRESS OR IMPLIED WARRANTY, INCLUDING, BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO CLAIMS OF ANY NATURE, WHETHER BASED ON CONTRACT OR OTHERWISE, MAY BE BROUGHT AGAINST THE SELLER OR ANY OF ITS AFFILIATES MORE THAN TWELVE (12) MONTHS AFTER THE DELIVERY OF THE GOODS TO THE BUYER.

## **11.Exclusive Terms and Conditions; Acceptance; Modification:**

These Terms and Conditions of Sale constitute the complete, exclusive and fully integrated statement of terms and conditions between the Buyer and Seller with regard to the matters contained herein. No terms or conditions (whether consistent or inconsistent) other than those stated herein and no agreement or understanding, oral or written, in any way purporting to modify these Terms and Conditions of Sale, shall be binding on Seller unless agreed upon in writing by authorized representatives of both Seller and Buyer that such document expressly overrides one or more terms in these Terms and Conditions of Sale. In the event of a conflict between these Terms and Conditions of Sale and any such document signed by authorized representatives of both parties, the terms of the signed document shall prevail. Buyer's placement of an order or release for, or taking delivery of, any product of Seller that is the subject of this contract shall constitute acceptance of the Seller's offer under these terms and conditions and Seller hereby objects to and rejects any and all additional or different terms proposed by Buyer, whether contained in Buyer's purchase orders, production releases or shipping release forms, or related correspondence or any other documents including emails. All proposals, quotes, request for quotes, purchase orders, negotiations, representations and other communications, if any, are merged herein.

## **12.Provisions Incorporated by Reference:**

Any provision required by any applicable law or regulation to be included in a contract of this type shall be deemed to be incorporated herein.

## 13. Governing Law:

This contract shall be governed by the laws of Ontario, Canada, exclusive of its conflicts of laws rules and of any principles therein that would require the application of The United Nations Convention on Contracts for the International Sale of Goods (“CISG”). CISG shall not apply to this or any other agreement between the parties. Seller and Buyer each irrevocably agrees that any legal proceeding seeking the enforcement or interpretation of this contract may be brought in the courts located in Toronto, Ontario, Canada. Each Party hereby irrevocably submits itself to the jurisdiction of any such courts, and waives any objection it may now or hereafter have to the placing of venue in any such courts and any right to remove any such action or proceeding to another court.

## 14. Export of Goods Sold:

In the event the goods sold hereunder are exported from Canada, the following shall apply:

- a) **Export Control.** Any sale made under this contract shall at all times be in strict conformity with all relevant export control laws and regulations. Buyer will not make any disposition by way of trans-shipment, re-export, diversion or otherwise of the goods, except as such laws and regulations may expressly permit (with Buyer bearing full responsibility for obtaining any required export licenses or other permits), and no such disposition or transfer will be made other than to the ultimate country of destination specified in this contract. Buyer will furnish, upon request, proof that the goods have been entered, and will remain in, the specified destination country. Buyer hereby agrees to indemnify, defend and hold harmless Seller and its employees from and against any and all claims, demands, damages, costs, penalties and fines arising in connection with any alleged breach by Buyer or its agents of this paragraph. Seller reserves the right to suspend or cancel any delivery of product to Buyer or cancel this contract in its entirety, without liability to Buyer, if Seller has a good faith basis for believing Buyer or its agent has violated or intends to violate this paragraph.
- b) **Drawback.** Seller reserves to itself the right to drawback of duty paid on materials used in the manufacture of the goods sold hereunder. Buyer agrees to furnish Seller proof of exportation, as well as any other necessary documents, and to cooperate with Seller to facilitate the collection of such drawback.
- c) **Anti-corruption Laws.** Buyer represents and warrants, in connection with the transactions contemplated by this contract, and any other agreement contemplated by or entered into pursuant to this contract, that it shall take no action, directly or indirectly, that would constitute a violation of the Corruption of Foreign Public Officials Act (Canada) or the United States Foreign Corrupt Practices Act, or any other applicable anti-bribery or anti-corruption law, convention or regulation (collectively, “anti-corruption laws”). Buyer acknowledges and confirms that it and its officers, directors, employees, agents, contractors, designees and/or any other party acting on its behalf (collectively, “Related Parties”) are familiar with the provisions of the anti-corruption laws. Buyer hereby agrees to indemnify, defend and





hold harmless Seller and its employees from and against any and all claims, demands, damages, costs, penalties and fines arising in connection with any alleged breach by Buyer or any of its Related Parties of this paragraph. Seller reserves the right to terminate this contract in its entirety, without liability to Buyer, if Seller has a good faith basis for believing Buyer or any of its Related Parties has violated or intends to violate this paragraph.

## **15. Language:**

The parties confirm that it is their wish that this contract, as well as any other documents relating to this contract, have been and shall be drawn up in the English language only. Les signataires confirment leur volonté que la présente convention, de même que tous les documents s'y rattachant, y compris tout avis, annexe et autorisation, soient rédigés en anglais seulement. If this contract is nevertheless translated into any other language, then the English language version of this document will control in the event of any disagreement over any such translation.

## **16. Waiver:**

Waiver by Seller of any breach of this contract shall not be construed as a waiver of any other breach.

## **17. Assignment Source of Production:**

- a) Buyer shall not assign its rights or obligations hereunder without the prior written consent of Seller. Any attempted assignment in contravention of the foregoing shall be void.
- b) Seller reserves the right in its sole discretion to source production of the goods supplied hereunder from any facilities. Seller shall have no responsibility for meeting Buyer's country-of-origin product content requirements (if any) unless Seller is apprised in writing of such requirements at the time Buyer places its order with Seller, or in the case of standing orders, at or before the latest time Buyer may issue a release in accordance with Seller's production scheduling requirements.

## **18. Construction:**

No provision of this contract may be construed against the Seller as the drafting party. The term "including" means "including without limitation." The term "days" means calendar days unless otherwise expressly stated.



## 19. Termination:

In addition to any other remedies available to Seller at law, equity or under this contract, Seller may terminate this, or any other, contract with the Buyer if:

- a) Buyer fails to perform its obligations under or otherwise breaches any provisions of this contract or any other contract between the Buyer and Seller or any of Seller's affiliates;
- b) Buyer ceases to carry on its business substantially as such business is conducted on the date of the contract between the Buyer and Seller and such change in circumstances modifies Seller's obligations or impairs either party's ability to discharge its obligations under this contract;
- c) Buyer institutes or suffers the institution against it of bankruptcy, reorganization, liquidation receivership or similar proceedings;
- d) Buyer generally becomes unable to pay its debts as they become due;
- e) any term, condition or provision of this contract or any other contract between the Buyer and Seller becomes invalid or illegal under any applicable law, rule or regulation; or
- f) a force majeure event listed in Section 7 of these Terms and Conditions continues for a period of more than thirty (30) days.

## 20. Seller's Best Interests:

In the event Buyer is a reseller of Seller's products, Buyer shall at all times: (i) represent Seller and its products in good faith and in a professional manner; and (ii) not engage in any deceptive, misleading, illegal or unethical practices that may be detrimental to Seller or Seller's products. In addition to any remedies available to Seller at law, equity or under this contract, Seller reserves the right to terminate this contract and any other contract between Buyer and Seller or any of Seller's affiliates in the event of any material breach by Buyer of its duties under this paragraph.

## 21. Third Party Rights:

Other than rights of Seller's affiliates under this contract, no third parties will have any rights under this contract.

## Stelco Claims Policy

### Introduction

This general claims policy covers flat rolled sheet products produced by Stelco Inc. (Stelco) sold as either Prime or Reclassified Products. This policy covers the major points of the claim policy, but it does not intend to cover all circumstances that may arise. Stelco reserves the right to handle each claim individually, based on the circumstances surrounding the claim in question. Customer order information requirements, as listed below, including dimensions, flatness, coating and chemistry, will be produced to ASTM specifications or to a customer specification accepted by Stelco in advance.

### Product Order Requirements

The primary source of information concerning customer expectations is the purchase order. It is also key to fulfilling our Quality Management System contract review. It becomes an important factor in resolution of claims. In our continual effort to fully understand customers needs and resultant product requirements, our Customer Technical Service (CTS) Representatives are available to assist in identifying the product attributes of each order. The information provided ensures that Stelco will provide material that meets customer expectation and minimizes customer rejections.

We request that customers include the end use on their purchase orders. If the material will be used for multiple end uses, then the most critical should be specified. If a specific end use cannot be provided, the CTS Rep should be contacted to help assess the appropriate product requirements. Incomplete information may delay the order entry process. As a minimum, the purchase order should contain the following:

1. Sold to Address
2. Ship to Address
3. Product
4. Specification
5. End Use \*
6. Gauge and Width including tolerances
7. Order quantity
8. Requested delivery date
9. Surface quality requirement
10. Flatness requirement
11. Surface finish if applicable
12. Coating if required
13. Oiling
14. Chem treatment if required



# FLAT ROLLED PRODUCTS



15. Mill edge or slit edge (Hot Roll)
16. Mill cut edge or precision slit edge (Cold Roll and Coated)
17. Coil weight (min/max)
18. Packaging and loading instructions
19. ID/OD restrictions
20. Testing requirements
21. Carrier
22. Freight (prepaid/collect)
23. Tax exemption numbers

\*Where there are multiple end uses, the most critical end use must be specified. End use "RESALE" will be treated as general manufacturing (non-critical/unexposed) unless specified otherwise.

## General Claim Policies

Stelco guarantees and warranties are specified in and are limited to the Terms and Conditions of Sale, which are available from Stelco Sales Representatives.

The customer is expected to process up to 10% of a coil or slit mults or blanks before it is deemed non-conforming, and then set aside the affected product for Stelco CTS inspection. The customer is expected to exercise discretion in processing excessive amounts of such material in order to minimize subsequent recovery costs.

Prime product will not be considered for claim after 12 months from invoice date.

## Claims Resolution

Stelco is committed to providing products that meet the quality needs of our customers. Should any issues arise with our products, the following process will be used to resolve the claim.

- The customer should report any non-conformances to the Stelco CTS Representative. The CTS Rep will require details of the problem (claim reason, inspection reports, Stelco Coil identity, quantity, photos, location of material, etc.) and must be given a reasonable time to investigate the claims.
- The CTS Rep will investigate and assess the validity of the claim relative to the customer purchase order and governing specification(s) to determine an appropriate course of action.
- All blanks, cut lengths, coils or slit mults deemed to be unusable by the customer due to Stelco sourced reasons should be set aside for inspection by the CTS Rep.
- Customers are advised not to return material to Stelco without prior authorization to avoid additional charges for handling and freight.
- If approval to sort is granted, all defective material shall be set aside for review by the CTS Rep.





# FLAT ROLLED PRODUCTS



- When a complaint is accepted by the CTS Rep, a credit will be processed based on the steel transaction price and the freight cost from Stelco to the customer location, if applicable.
- Auto debiting is not acceptable for Open or Declined claims.
- For any non-returnable steel, Stelco will adjust the claim to recover the prevailing market value of steel scrap. The scrap price will be based on the month in which the claim was accepted by the CTS Rep.
- Where the CTS Rep authorizes return of steel, the customer should repackage the steel to prevent damage and enable safe handling. Returned material should be re-identified with the Stelco coil information as well as the claim number assigned.

## **Consequential Costs**

Stelco provides steel to meet our customers' specifications and it is our customers' responsibility to warrant the suitability of the finished manufactured products for the intended applications. Stelco may provide assistance in product selection but in doing so does not accept any responsibility for the performance of the parts manufactured from our steel.

Stelco does not accept responsibility for problems resulting from the reapplication of any of our steel products, including offal, to end uses other than that specified on the purchase order.

## **Warranty**

Stelco provides steel to meet our customers' specifications and it is our customers' responsibility to warrant the suitability of the finished manufactured products for the intended applications. Stelco may provide assistance in product selection but in doing so does not accept any responsibility for the performance of the parts manufactured from our steel.

Stelco does not accept responsibility for problems resulting from the reapplication of any of our steel products, including offal, to end uses other than that specified on the purchase order.

## **Flatness**

Flatness will conform to ASTM standards for deviation from a horizontal flat surface as defined in the standard, after the customer performs adequate leveling. If customer requires special flatness, this should be negotiated at the inquiry stage with Stelco Sales Rep.



# FLAT ROLLED PRODUCTS



## Storage Stain and Rust

Stelco will review claims for storage stain and rust to determine cause. Storage stains and rust will not be considered for claim on:

- Hot Roll Black or Pickled dry (non-oiled) coils
- Coated coils that are ordered dry or not passivated
- Where cause is determined to be improper storage or handling by the customer or their processor
- If material is shipped beyond original ship to location
- Cold Roll Full Hard unprocessed

Claims will be accepted for:

- Hot Roll Pickled and Oiled will be considered up to 30 days after delivery. If customer is responsible for pick-up of coils, claims will be considered for 30 days after ready date.
- Oiled or Passivated Coated will be considered up to 90 days from ready date
- Storage stain is warranted for 30 days from ready date provided it has been properly stored at customer facility.

## Transportation Issues

For all shipments, the customer is responsible for inspection and documentation of material conditions during receipt and unloading. Documentation includes photos, video and receiving logs that detail the receiving conditions of the material. The customer is responsible for unloading and protecting the material from further deterioration while claim is being resolved.

- Transportation rust shall be reported immediately to the CTS Rep. To be claimable, the carrier must be Stelco choice and the problem properly documented and photographed.
- Freight damage that occurs when load is shipped FOB Customer must be reported immediately.
- If the customer arranged transport, FOB Mill, Stelco will not accept responsibility.

## Weight Variation

A variation between the Stelco invoiced weight and customer scale weight of +/- 1% is considered permissible. Greater variation will be investigated for potential claim. Where customer reports numerous coils with variation, an analysis over a defined period (month or quarter) will be assessed for over and under weights. If the total variation of the assessed population is greater than 1%, then customer credit (under shipment) or debit (over shipment) will be issued for the total weight discrepancy of the entire population.



## Product Classification – Prime Hot Rolled Sheet

### Availability

Hot Rolled steel is available as unprocessed coils (UPC) or processed sheet (Slit, Leveled, Pickled).

#### 1. Unprocessed Coil (UPC)

- Hot Rolled unprocessed coils (UPC) are Hot Bands that are shipped without further processing such as pickling, temper rolling or recoiling. Ends of coils are not cut back to conform to established thickness, width, shape or surface standards.
- The customer is expected to accept without claim the inside (ID) and outside (OD) laps of the coil due to dimension, handling damage, shape or surface due to coil end conditions.
- Standard ASTM tolerances for gauge and flatness will apply except for the coil OD/ID.
- Telescoping is 2" per side maximum
- UPC coils may have fishtails at the ID/OD. The length of the fishtails will be less than the width of the coil.
- The coil inside diameter will be 30" +/- 2". Occasionally 24" ID could be supplied at mill option.
- UPC will be "reasonably free" of imperfections and injurious defects such as internal laminations, edge laps, slivers, pitting.
- Claims for surface, shape, dimensions, etc. in the body of the coil are subject to established claims policy. Customers can expect 98% satisfactory product not including coil end conditions.
- UPC are subject to coil breaks and therefore not subject to claims.

#### 2. Processed Coil

- Processed coils will normally have a 24" ID but occasionally will be supplied as 20"
- Telescoping is restricted to 1" per side.
- Coil ends are cropped square.
- Processed coils will be "reasonably free" of surface imperfections and injurious defects such as internal laminations, edge laps, slivers, pitting.
- For Processed coils, customers can expect 98% satisfactory product.

### Surface Quality

Hot Rolled steel has a surface with an oxide or scale layer resulting from the hot rolling operation. This oxide or scale can be removed by pickling or blast cleaning. Hot rolled and hot rolled descaled sheet is not generally used



for exposed parts where surface is of prime importance. Hot rolled sheet may contain surface imperfections that are not detrimental to formability or structural integrity.

#### 1. Standard Surface

- As rolled “Black” and acid descaled “Pickled” hot rolled steel are supplied where surface is not of primary importance.
- Pickled steel may contain pickle line stop stains. The stains will typically be isolated to a small portion of the coil length.

#### 2. Special Surface

- Special surface applies only to Hot Rolled Pickled steel. The pickled steel may contain surface imperfections that do not affect formability or application of coatings. These imperfections may show through paint as highlights.
- Special surface requirements must be reviewed with the CTS Rep prior to order acceptance.

#### 3. Pickle Dry (Non-Oiled)

- Pickle dry material is susceptible to friction gouges. As such, Stelco will not accept claims for friction gouges on pickle dry material unless there are extenuating condition such as loose coiling or staggered coil wall that the customer feels may contribute to gouges. The customer should not process coils with these conditions till reviewed with the CTS Rep.
- Storage stains and rust will not be considered for claim on pickled dry coils.

### Coil Breaks

Claims for Coil Breaks on hot rolled steel, will not be accepted unless the purchase order specifically states “Coil Break Sensitive” and Stelco agrees to supply to this criteria. This will typically require that coils are skin rolled to prevent coil breaks. Coil Break sensitive applications must be reviewed with the CTS Rep prior to order acceptance.

- Unprocessed coils are subject to coil breaks and therefore not subject to claims.
- Light to medium coil breaks are considered typical delivery if not specified as coil break sensitive.
- If the order specifies coil break sensitive, coil breaks on the incoming product are claimable.





## Product Classification – Prime Cold Rolled and Coated Sheet

### Availability

1. Cold Rolled sheet is available as cold rolled full hard (CRFH) dry (residual cold mill oil). Coils will include off gauge coil ends unless further processing is specified by the customer. Unprocessed CRFH is not subject to the useable product standards established for other Stelco Sheet products.
2. Coated sheet product is available as oiled, dry, Passivated or Un-Passivated. The customer is expected to accept without claim the inside (ID) and outside (OD) laps of coils. Customers can expect 98% satisfactory product

### Surface Quality

Stelco warrants products to be “reasonably free” of surface defects. There are 4 categories of surface quality for Cold Rolled and Coated products. Critical applications are generally supplied as one side prime, typically the top surface. The customer should advise Stelco at the time of ordering, the surface orientation of the exposed surface, otherwise Stelco will consider the exposed surface to be the top surface (out) as decoiling.

1. Auto Exposed – Surface is considered suitable for exposed automotive applications.
2. Exposed – Surface may contain subtle surface conditions that may be seen but will not show through paint. (examples - very light roll marks or stains)
3. Semi- Exposed – May contain surface conditions that may show though paint as highlights. They may contain conditions that can be seen and felt but will not be detrimental to the formability or structural integrity of the part. (examples - light roll marks, pinheads, light stains, minor pitting)
4. Unexposed - May contain conditions that can be seen and felt but will not be detrimental to the formability or structural integrity of the part. (examples - roll marks, pinheads, stains, pitting, pinpoint rust, edge strain, sticker marks)

Where customer is uncertain as to requirement, the CTS Rep should be contacted for assistance.

### Aging

For Commercial Steel (CS) and Drawing Steel (DS), aging phenomena may exist. Over time the effect of aging is higher hardness, lower ductility and fluting. It is necessary for the user to effectively roller level immediately before use to eliminate the straining or fluting effects of aging. The effects of aging including fluting and loss of ductility will not be claimable 45 days after shipment. If necessary, Stelco will examine samples to verify appropriate processing.

## Product Classification – Reclass Hot Roll, Cold Rolled and Coated Sheet and Slabs

### Availability

Stelco offers Reclassified material as Excess Prime, Full Hard, Secondary, Waster and Scrap Recovery. These classifications have different quality levels. If a coil is misrepresented on the Reclass Offer Sheet, the CTS Rep will investigate for potential claim acceptance. Claims must be submitted within 30 days of delivery.

**Table 1 – Reclassified Products**

ATTRIBUTE	EXCESS PRIME Hot Roll and Coated	EXCESS Cold Roll Full Hard	SECONDARY	WASTERS Including Line Stops	Excess Prime and Secondary SLAB**
<b>Useable area</b>	≥ 95 %	≥ 75 %	≥ 75%	≥ 50%	≥ 75%
<b>Dimensions</b>	ASTM	ASTM	ASTM	As Is	ASTM
<b>Surface Quality</b>	Standard surface	Standard surface	Standard surface May have laminations, laps, slivers etc	As Is	Standard surface May have laminations, laps, slivers etc
<b>Flatness</b>	ASTM	≤ 2 times ASTM	≤ 2 times ASTM	As Is	≤ 2 times ASTM
<b>Telescope</b>	≤ 2" per side	≤ 2" per side	≤ 3" per side	As Is	≤ 3" per side
<b>Chemistry</b>	ASTM Limits	ASTM Limits	ASTM Limits	As Is	Per slab offering
<b>Mechanical Properties</b>	Not guaranteed unless by prior agreement	Not guaranteed	Not guaranteed	As Is	Not guaranteed

\*\* Slabs rolled to customer defined gauge and width.

### Note

- Formability and weldability are not guaranteed.
- For UPC HR and CRFH, coil ends may have non-conforming dimensions or surface conditions that are not claimable.
- Test certificates not typically provided but may be available subject to negotiation.
- Coils are subject to coil breaks and therefore not claimable.
- Intended for unexposed application.
- Percentage useable area is intended as a guideline and individual claims for small differences will not be accepted.