

CLEVELAND-CLIFFS STEEL TERMS AND CONDITIONS OF SALE

1. **ACCEPTANCE.** ALL SALES BY CLEVELAND-CLIFFS STEEL LLC OR CLEVELAND-CLIFFS STEEL CORPORATION, OR ANY OF THEIR RESPECTIVE AFFILIATES OR SUBSIDIARIES (COLLECTIVELY, "SELLER") ARE MADE SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS ("TERMS AND CONDITIONS"). TERMS ADDITIONAL TO OR DIFFERENT FROM THOSE IN THESE TERMS AND CONDITIONS, INCLUDING BUT NOT LIMITED TO TERMS CONTAINED IN BUYER'S PURCHASE ORDER, QUALITY MANUALS, OR REQUIRED IN ORDER TO ACCESS OR PARTICIPATE IN ANY ONLINE BUYER PORTALS, ARE DEEMED MATERIAL AND HEREBY REJECTED UNLESS OTHERWISE ACCEPTED BY SELLER IN WRITING. Seller's acceptance of Buyer's purchase order or commencement of performance shall not constitute acceptance of any of Buyer's terms and conditions of purchase. Buyer's assent to these terms and conditions shall be conclusively presumed from Buyer's (1) receipt of Seller's order acknowledgment without written objection sent to Seller within ten (10) days after receipt of this order acknowledgment or accepted purchase order, (2) instructing Seller to begin work or to ship any of the goods after receipt of Seller's order acknowledgment or accepted purchase order, or (3) acceptance of all or any part of the goods ordered. Seller may commence performance in reliance upon Buyer's acceptance of these terms and conditions. BUYER AND SELLER AGREE THAT THE TERMS AND CONDITIONS PRINTED HEREIN ARE ACCEPTED IN GOOD FAITH BY BOTH PARTIES AS THE CONTROLLING AND FINAL TERMS AND CONDITIONS. BUYER AND SELLER FURTHER AGREE THAT THERE SHALL NOT BE A "BATTLE OF FORMS" AS DESCRIBED IN SECTION 2-207 OF THE UNIFORM COMMERCIAL CODE.

2. **ENTIRE AGREEMENT.** Except as otherwise agreed to by Seller in writing, these terms and conditions, together with the applicable Seller order acknowledgment or accepted purchase order, shall constitute the complete and final agreement between Seller and Buyer (hereinafter, "agreement"), superseding completely any prior oral or written communications. Terms or conditions contained in any document issued by Buyer which in any manner purport to alter, modify, change, suspend, or add to any term or condition contained herein shall be deemed excluded from such Buyer document and waived by Buyer. Seller and Buyer expressly agree that Seller may modify these terms and conditions from time to time, and such modifications shall be binding upon Buyer.

3. **PURCHASE PRICE.** The purchase price of the goods shall be as stated on the applicable Seller order acknowledgment or accepted purchase order; provided, however, that if Seller announces a surcharge, such surcharge shall become effective for goods scheduled for shipment beginning on the date set forth in Seller's announcement of such surcharge or, if there is no such date, immediately upon such announcement. Seller reserves the right to change all quotations at any time. Seller shall be bound only upon issuance of an order acknowledgment or shipment and acceptance of all or any part of the goods ordered.

4. **PURCHASE ORDER MODIFICATION/CANCELLATION.** Buyer cannot modify, cancel, or otherwise alter purchase orders after receipt of purchase order by Seller without Seller's written consent. Any such modification, cancellation, or alteration shall be subject to conditions as negotiated at such time, which shall include protection of Seller against loss.

5. **LIMITED WARRANTIES.** THERE ARE NO UNDERSTANDINGS, TERMS, CONDITIONS OR WARRANTIES NOT FULLY EXPRESSED HEREIN. Seller warrants title to and freedom from encumbrance of the products. Seller also warrants that products described or referred to on the face hereof conform in material respect to specifications accepted in writing by Seller. There are no warranties, express or implied, with respect to products sold hereunder which are misused, abused, or operated on mechanical equipment improperly designed or maintained or which are used, supplied for use or made available for use in any nuclear application of which Seller has not been notified in writing by Buyer at the time of Buyer's offer for the products sold hereunder. SELLER MAKES NO OTHER WARRANTY WHATSOEVER, EXPRESS OR IMPLIED. ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND ALL IMPLIED WARRANTIES OF FITNESS FOR ANY PARTICULAR PURPOSE ARE DISCLAIMED BY SELLER AND EXCLUDED FROM THIS AGREEMENT.

6. **LIMITATION OF LIABILITY.** SELLER'S LIABILITY, WHETHER IN CONTRACT, IN TORT, UNDER WARRANTY, IN NEGLIGENCE, OR OTHERWISE, SHALL NOT EXCEED THE PURCHASE PRICE OF THE GOODS AGAINST WHICH CLAIM IS MADE, AND UNDER NO CIRCUMSTANCES SHALL SELLER BE LIABLE FOR ANY SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, DEMURRAGE CHARGES, COSTS OF SHIPMENT, DOWNTIME, LOST PROFITS, OR LOST SALES. At Seller's discretion, Buyer's sole and exclusive remedy with respect to the portion of any goods proven to have failed to meet in material respect the specifications accepted in writing by Seller shall be limited to: (1) replacement of goods at the point of shipment from the Seller's facility, (2) repair of the goods at a location to be determined by the Seller, or (3) repayment of or credit against the purchase price of such goods upon authorized return thereof. SELLER AND BUYER EXPRESSLY AGREE TO THIS ALLOCATION OF RISK AND THE PRICE STATED FOR THE GOODS IS CONSIDERATION IN LIMITING SELLER'S LIABILITY. IN THE EVENT SELLER HAS AUTHORIZED BUYER TO SCRAP ALL OR ANY PORTION OF THE GOODS, THE SCRAP ALLOWANCE IS TO BE CREDITED TO THE SELLER.

7. **LIMITATION OF LIABILITY FOR DELAY.** NO DELIVERY DATES ARE GUARANTEED. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY CLAIMS FOR LABOR OR FOR ANY SPECIAL, INDIRECT, CONSEQUENTIAL OR INCIDENTAL DAMAGES INCLUDING, BUT NOT LIMITED TO, DEMURRAGE CHARGES, COST OF SHIPMENT, DOWNTIME, LOST PROFITS, LOST SALES, OR ANY OTHER DAMAGES RESULTING FROM DELAY IN DELIVERY. ACCEPTANCE OF GOODS BY BUYER SHALL CONSTITUTE A WAIVER BY BUYER OF ANY CLAIM FOR DAMAGES ON ACCOUNT OF DELIVERY DELAY.

8. **STANDARDS AND TOLERANCES.** Unless specifically agreed to in writing by Seller, all goods sold hereunder shall conform to industry standard variations and tolerances such as those described by ASTM International (ASTM), the American Iron and Steel Institute (AISI), and the Society of Automotive Engineers (SAE).

9. **FORCE MAJEURE.** In any event and in addition to all other limitations stated herein, Seller shall not be liable for any act, omission, result or consequence, including but not limited to any delay in delivery or performance, which is (i) due to any act of God, the priority of any government order, any order bearing priority rating or order placed under any allocation program (mandatory or voluntary) established pursuant to law, local labor shortage, fire, flood or other casualty, governmental regulation or requirement, shortage or failure of raw material, supply, fuel, power or transportation, breakdown of equipment, pandemic or outbreak of communicable disease, or any cause beyond Seller's reasonable control whether of similar or dissimilar nature to those above enumerated, (ii) due to any strike, labor dispute, or difference with workers, regardless of whether or not Seller is capable of settling any such labor problem, or (iii) due to acts of Buyer.

10. **PASSAGE OF TITLE, RISK OF LOSS.** Unless expressly specified in Seller's order acknowledgment, all deliveries are F.O.B. point of shipment (Uniform Commercial Code definition), whether freight prepaid by Buyer or freight collect to destination, and risk of loss to the products shall pass to the Buyer at the point of shipment from Seller's facility, whether freight prepaid or freight collect to destination, regardless of which party arranges the freight charges or particulars of shipment. For products priced at destination, any charges at destination for spotting, switching, handling, storage, demurrage and other accessory services shall be for Buyer's account, unless otherwise stated in the Seller's order acknowledgment. Risk of loss, damage or delay in transit shall be borne by Buyer. Seller reserves and retains title to products supplied hereunder until payment in full of the purchase price therefore is received by Seller. With respect to freight collect shipments, it shall be the responsibility of the Buyer to select the carrier involved and for freight prepaid, freight collect or any other arrangement, it shall be the responsibility of the Buyer to file and pursue any claims with the carrier related to loss, damage or delay in transit. Buyer shall not have the right to divert such shipment without permission of the Seller. Unless specified in Seller's order acknowledgment or accepted purchase order, Seller reserves the right to select the mode of transportation.

11. **PAYMENT TERMS AND INTEREST ON PAST DUE ACCOUNTS.** Unless otherwise agreed to in writing by Seller's Credit Department, payment terms are net thirty (30) days from the date of invoice payable in United States dollars or the equivalent thereof, with a ½% discount for payment within ten (10) days from the date of invoice. Payments shall be made electronically (including, without limitation, by ACH or wire transfer) in accordance with Seller's payment instructions. If Buyer fails to make payment in full or in part or refuses to pay any applicable price increases or surcharges, Seller shall have the right to: (i) immediately suspend performance and cancel the unfinished portion of the order, or (ii) proceed with the order, given an extension of time for performance as is necessitated by the temporary suspension. Seller shall have right to enforce payment of the full purchase price, including any price increase or surcharge, for products already delivered or in process. An interest charge of 1-1/2% monthly (18% annual rate) or the maximum allowed by state law will be imposed on all past due accounts.

12. **OFFSETS.** Buyer hereby authorizes Seller to credit toward the payment of any monies that may become due Seller hereunder, any monies which may now or hereafter be owed to Buyer by Seller or by any subsidiary, affiliate, or parent of the Seller.

13. **ACCORD AND SATISFACTION.** Checks or payments, whether full or partial, received from or for the account of Buyer, regardless of writings, legends, or notations upon such checks or payments, and regardless of other writings, statements, or documents, shall be applied by Seller against the amount owed by Buyer with full reservation of all Seller's rights and without an accord and satisfaction of Buyer's liability.

14. **CREDIT.** Buyer represents that Buyer is solvent and can and will pay for the products sold to the Buyer in accordance with these terms and conditions. Production, shipment, and delivery of goods shall at all times be subject to approval of Seller's Credit Department. Seller may, at its option, suspend performance or terminate this agreement if, in Seller's opinion, the credit of Buyer becomes impaired, until such time as Seller has received full payment, including any general price increases or surcharges, or satisfactory security for deliveries made and is satisfied as to Buyer's credit for future deliveries. Seller reserves the right before making any delivery, by written notice, to cancel any order, reevaluate all payment terms, or require full or partial payment in advance or adequate assurance of performance from Buyer without liability to Seller in the event of a material adverse change to the Buyer's financial condition.

15. **TRANSPORTATION CHARGES.** Unless specified in Seller's order acknowledgment, price quotations do not include shipment costs. Delivered prices or prices involving competitive transportation adjustments shall be subject to appropriate adjustment to reflect changes in transportation charges including but not limited to fuel surcharges. Buyer agrees to provide delivery arrangements within three (3) business days of notice of the ready date. Seller reserves the right to ship without further notification if Buyer fails to provide arrangements within ten (10) business days of notice of the ready date. If Buyer's requested method of transportation is not available, Seller reserves the right to use an alternate method of transportation, whether or not at a higher rate. In any such case, Seller shall notify Buyer of any such changes as promptly as possible.

16. **CLAIMS BY BUYER.** Claims by Buyer for shortage of products or for products damaged during shipment, storage, or processing must be made within ten (10) days of receipt by Buyer. Any claim that the products received by Buyer do not conform in material respect to the specifications on the face of Seller's Order Acknowledgment or Invoice must be made within sixty (60) days of receipt of shipment, which Buyer and Seller agree is a reasonable time. THE FAILURE

TO NOTIFY SELLER OF ANY CLAIM WITHIN THE TIME PERIOD SPECIFIED BY THIS SECTION SHALL CONSTITUTE A WAIVER OF AND BAR SUCH CLAIM. SELLER SHALL INCUR NO LIABILITY FOR SHORTAGE OR DAMAGE ALLEGED TO HAVE OCCURRED OR EXISTED AT OR PRIOR TO DELIVERY TO THE BUYER UNLESS BUYER SHALL HAVE ENTERED FULL DETAILS THEREOF ON CARRIER'S DELIVERY RECEIPT WHICH MUST BE SIGNED BY THE CARRIER'S AGENT. SELLER MUST BE GIVEN AN OPPORTUNITY TO INVESTIGATE THE CLAIM BEFORE BUYER DISPOSES OF THE GOODS. ANY DAMAGED GOODS SHALL NOT BE RETURNED, REPAIRED OR DISCARDED WITHOUT SELLER'S WRITTEN PERMISSION. Buyer agrees that the provisions of the Seller's claims management policy shall govern all claims submitted to the Seller by the Buyer for goods sold hereunder, unless provided otherwise in Seller's order acknowledgement. No allowance will be made to Buyer for storage, materials or labor involved in the movement of rejected goods from the plant of Buyer or Buyer's processor or Buyer's storage facility. A variation between Seller and Buyer's scale weight of up to one percent (1%) shall be permissible.

17. **MECHANICAL PROPERTIES; CHEMICAL ANALYSES.** Seller makes no warranty with respect to data referring to mechanical properties or chemical analyses of tests performed on specimens of products. Any data referring to mechanical properties or chemical analyses are the result of tests performed on specimens obtained from specific locations on the products in accordance with prescribed sampling procedures.

18. **PATENTS.** Seller shall indemnify Buyer against attorneys' fees and any damages or costs awarded against Buyer in the event any legal proceeding is brought against Buyer by a third person claiming the material delivered hereunder in itself constitutes an infringement of any U.S. patent, provided Buyer gives Seller prompt notice of any such suit being brought, gives Seller the opportunity to defend any such suit, and cooperates with Seller with respect to any such defense, unless the material is made in accordance with materials, design, or specifications required by Buyer, in which case Buyer shall similarly indemnify Seller.

19. **PERMISSIBLE VARIATIONS.** The products sold hereunder shall be subject to Seller's standard manufacturing variations, tolerances and classifications all of which are available at www.clevelandcliffs.com.

20. **TECHNICAL ADVICE.** Seller assumes no obligation or liability for any technical advice furnished to Buyer, including without limitation technical advice with respect to the use of Seller's goods and services, all such technical advice being given and accepted at Buyer's risk. Seller will not be liable for any damages of any kind arising out of or relating to the use of or the inability to use the information provided, including but not limited to any special, indirect, incidental or consequential damages including, but not limited to, demurrage charges, cost of shipment, downtime, lost profits or lost sales, whether foreseeable or not, and even if Seller has been advised of the possibility of damages.

21. **TAXES, DUTIES AND TARIFFS.** Prices quoted do not include any taxes or other assessments. All taxes of any kind levied by any federal, state, municipal, foreign, or other governmental authority which Seller is required to collect or pay with respect to the production, sale, purchase, delivery, storage, processing, use, consumption, or shipment of goods sold hereunder shall be the responsibility of Buyer. This also includes, in the case of export orders, responsibilities for any tariffs, duties or the management of any special import restrictions or other customs formalities associated with the importation of the goods by the Buyer. Buyer agrees to pay all such taxes and further agrees to reimburse Seller for any such payments made by Seller.

22. **NONWAIVER.** Seller reserves the right to enforce these terms and conditions at any time and none shall be deemed waived unless such waiver is in writing and signed by an authorized officer of Seller.

23. **AUDIT.** Unless otherwise agree to in writing by Seller, Buyer shall have no right to audit any books or records of Seller, including but not limited to, applicable purchase orders and order acknowledgements.

24. **INDEMNIFICATION.** Buyer shall indemnify Seller against any loss, damage, suit, liability, or claim (including reasonable attorney fees and costs) caused by acts of Buyer not authorized by this agreement or by any willful or negligent act of the Buyer.

25. **E-VERIFY COMPLIANCE.** This agreement is for the provision of goods (rather than for services or construction); to the extent that the goods are ultimately used in the performance of a federal contract, Seller is not subject to the E-Verify requirement set forth in the Federal Acquisition Regulations in clause 52.222-54. It is the Buyer's obligation to ensure compliance with any applicable E-Verify obligation, regulation, or law. Should any additional immigration or E-Verify obligation apply in the course of Buyer's business, it is Buyer's obligation to ensure compliance with that obligation and to immediately notify Seller if any requirement (beyond that set forth in 8 CFR 274a.2) may apply to Seller due to Seller's transaction with Buyer.

26. **ANTI-CORRUPTION LAWS.** Buyer agrees that in connection with their purchase hereunder, Buyer shall comply with all applicable anti-corruption laws, including but not limited to the Foreign Corrupt Practices Act of 1977 (15 U.S.C. Sections 78dd-1, et seq.), the Corruption of Foreign Public Officials Act of Canada and the UK Bribery Act 2010. Seller may terminate this agreement if it has a good faith belief that Buyer has violated, intends to violate, or has caused a violation of any applicable anticorruption laws.

27. **U.S. GOVERNMENT TRADE SANCTIONS.** BUYER AND SELLER ACKNOWLEDGE THAT NO DIRECT OR INDIRECT (THROUGH A THIRD COUNTRY) TRANSACTIONS, INCLUDING THE EXPORTATION OR IMPORTATION OF PRODUCTS, TECHNOLOGIES, OR SERVICES, OR FINANCIAL TRANSFERS WILL TAKE PLACE BETWEEN U.S. PERSONS AND

ANY COUNTRY OR NATIONALS, WHEREVER THEY MAY BE, OF CUBA, IRAN, NORTH KOREA, SUDAN, OR SYRIA OR ANY OTHER COUNTRY OR NATIONAL, ENTITY, OR INDIVIDUAL SANCTIONED BY THE U.S. GOVERNMENT WITHOUT THE APPROPRIATE U.S. GOVERNMENT LICENSE, SUCH AS, BUT NOT LIMITED TO, A SPECIFIC LICENSE FROM THE OFFICE OF FOREIGN ASSETS CONTROL (OFAC), AND WRITTEN PERMISSION FROM BOTH BUYER AND SELLER. BUYER AND SELLER ALSO AGREE THAT IN ADDITION TO COMPLYING WITH OTHER APPLICABLE IMPORT AND EXPORT STATUTES AND REGULATIONS, THEY WILL COMPLY WITH THE U.S. EXPORT ADMINISTRATION REGULATION ANTIBOYCOTT PROVISIONS (15 C.F.R. PART 760), AND THE INTERNAL REVENUE CODE PROVISION (26 U.S.C. 999) PROHIBITING SUPPORT FOR CERTAIN TRADE BOYCOTTS THAT ARE NOT ENDORSED BY THE U.S. GOVERNMENT, INCLUDING THE ARAB LEAGUE BOYCOTT OF ISRAEL, INDIA AND PAKISTAN'S BOYCOTTS OF THE EACH OTHER'S PRODUCTS, AND OTHER SIMILAR NON-U.S. GOVERNMENT ENDORSED TRADE EMBARGOES, TO THE EXTENT THE REGULATIONS APPLY TO TRANSACTIONS IN WHICH THEY ARE ENGAGED. FURTHER, BUYER AND SELLER AGREE THAT THEY WILL COMPLY WITH MANDATORY REPORTING REQUIREMENTS PROVIDED IN THAT STATUTE AND IN THOSE REGULATIONS. THE SELLER MAY TERMINATE THIS AGREEMENT WITHOUT NOTICE AND WITHOUT ANY LIABILITY TO THE BUYER IF THE BUYER BREACHES THE ABOVE PROVISIONS. THE BUYER SHALL HOLD THE SELLER HARMLESS FROM ANY CLAIMS SUFFERED BY BUYER OR SELLER AS A RESULT ON ANY VIOLATION OF THE ABOVE PROVISIONS BY THE BUYER. THE BUYER WARRANTS THAT IT WILL NOT DIVERT THE GOODS TO DESTINATIONS OTHER THAN THE DESTINATION INDICATED IN THE PURCHASE ORDER AND SHALL INCLUDE THESE TRADE SANCTION PROVISIONS IN ANY SUBSEQUENT CONTRACTS UNDER WHICH THE GOODS ARE RESOLD.

28. **EXPORT CONTROL COMPLIANCE.** CERTAIN PRODUCTS PRODUCED BY SELLER, AS WELL AS TECHNOLOGY OR SOFTWARE ASSOCIATED WITH THESE PRODUCTS, MAY BE SUBJECT TO EXPORT CONTROLS UNDER THE U.S. EXPORT ADMINISTRATION REGULATIONS (15 CFR §§ 730-774) OR THE INTERNATIONAL TRAFFIC AND ARMS REGULATIONS (22 CFR § 120 ET. SEQ.) BASED ON THEIR SPECIFIC DESIGN, CHARACTERISTICS OR END USE. BY ACCEPTING THESE PRODUCTS, BUYER AGREES THAT IT WILL NOT DIRECTLY OR INDIRECTLY, EXPORT, REEXPORT, TRANSSHIP, TRANSFER, TRANSMIT OR RELEASE PRODUCTS, TECHNOLOGY OR SOFTWARE WITHOUT OBTAINING THE NECESSARY EXPORT LICENSES, REEXPORT AUTHORIZATIONS OR OTHER GOVERNMENTAL APPROVALS REQUIRED BY LAW.

29. **COVERED DEFENSE INFORMATION.** Notwithstanding incorporation of DFARS 252.2004-7012, Buyer shall not provide covered defense information to Seller without prior written notice. Absent such notice, the parties do not anticipate exchange of covered defense information in the performance of this agreement.

30. **ASSIGNMENT OR DELEGATION.** BUYER SHALL NOT ASSIGN OR DELEGATE ANY OR ALL OF ITS DUTIES OR RIGHTS HEREUNDER WITHOUT THE PRIOR WRITTEN CONSENT OF SELLER.

31. **STATUTE OF LIMITATIONS.** The Buyer and Seller agree that any action for a breach of contract, including any action for a breach of warranty, must be commenced within one (1) year after the cause of action accrues.

32. **MISCELLANEOUS.** Seller and Buyer are independent parties and nothing in these terms and conditions, accepted purchase order, order acknowledgment or this agreement shall make either party agent, partner, joint venturer, or legal representative of the other.

33. **INCORPORATION BY REFERENCE.** Any clause required to be included in this agreement by any applicable and valid federal, state, or local law or administrative rule having the effect of law shall be deemed incorporated herein.

34. **SEVERABILITY.** If any provision or part of a provision of this agreement is declared invalid, illegal, or unenforceable under applicable law, the affected provision will be considered omitted or modified to conform to applicable law. The validity, legality, and enforceability of all other remaining provisions or parts of provisions will remain in full force and effect.

35. **GOVERNING LAW.** This agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Ohio, without regard to conflict of law principles.

36. **JURISDICTION.** BUYER, ACTING FOR ITSELF AND ITS SUCCESSORS AND ASSIGNS, HEREBY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY LITIGATION ARISING FROM OR RELATED TO THIS AGREEMENT. BUYER EXPRESSLY AND IRREVOCABLY CONSENTS TO THE JURISDICTION OF THE STATE AND FEDERAL COURTS LOCATED IN CLEVELAND, OHIO, AND WAIVES THE RIGHT TO ASSERT THAT ANY ACTION IN ANY SUCH COURT IS IN THE IMPROPER VENUE OR SHOULD BE TRANSFERRED TO A MORE CONVENIENT FORUM.

37. **CONFIDENTIALITY.** Any pricing information provided by Seller to Buyer is proprietary to Seller and shall be held in confidence by Buyer, shall only be used by Buyer in connection with this agreement, and shall not be used for any other purposes or disclosed to third parties without Seller's prior written consent. Buyer shall be liable for any loss to Seller or commercial gain by others from unauthorized use of confidential information occasioned by Buyer's failure to comply with this provision.