

# STS METALS COMPANY

## TERMS AND CONDITIONS OF SALE

- 1. CONTRACT FORMATION.** These terms and conditions of sale (the "Seller Terms and Conditions") apply to all quotations and offers made by and purchase orders performed by Seller with respect to various products and services that may be specified therein (hereinafter "Products and "Services"). If Seller Terms and Conditions conflict with those contained in any Customer purchase order or other procurement document, the Seller Terms and Conditions will control and any additional or inconsistent terms are rejected by Seller unless acceptance is in writing and specifically refers to each such additional or conflicting term. Customer acceptance of or payment for Products or Services will conclusively confirm Customer's assent to the Seller Terms and Conditions.
- 2. PRICES.** All quotations are made for prompt acceptance and any terms or prices quoted therein are subject to change without notice after five (5) days unless specifically stated otherwise on the quotation. Seller will not disseminate any cost breakdown information or pricing data which is used to determine its prices. Prices are subject to increases for changes requested by Customer, and any change in price resulting from a Customer-directed change must be agreed upon prior to any change of production equipment and prior to Seller's manufacture of modified Products. In the event a substantial increase to Seller's cost shall have occurred resulting in a loss to Seller on this sale, Seller shall inform Customer of new pricing or have the right to cancel this agreement or any part thereof without further liability. Prices are based on normal trade relation duty rates and any duties and/or special tariffs in effect on January 1, 2025. Should the Government or Authorities involved in the shipment of relevant commodities impose or add duties or taxes related to the import of goods causing an increase in the applicable duty rate ("Additional Duties"), these assessments will be passed through to Buyer, effective on the date that the Additional Duties go into effect.
- 3. TAXES.** All quoted prices are subject to the addition of any applicable sales, excise, manufacturer's use or other taxes that may be levied by either municipal, state or federal authorities.
- 4. TERMS OF PAYMENT.** Subject to Seller credit approval, terms of payment for all Products and Services shall be net thirty (30) days from date of shipment. A service charge of one and one-half percent (1.5%) per month may be applied, in Seller's discretion, to all invoices for which payment is not received by the applicable due date. All deliveries are subject to the condition that all past due invoices have been paid or resolved in full. Seller reserves at any time the right to alter or suspend credit and/or change credit terms provided herein in its sole opinion if the financial conditions of the Customer warrants it.
- 5. TERMS OF DELIVERY.** Delivery will be F.O.B Seller's factory or Seller's authorized location. The Importer/Exporter of Record is owner or purchaser of the Products. Title and risk of loss pass to Customer at Seller's dock. Seller may deliver in partial shipments if necessary to meet Customer's requirements. The International Chamber of Commerce Terms (INCOTerms) shall be used when there is an obligation for delivery of goods for international contracts of sale.
- 6. EXPORT RESTRICTIONS.** The ultimate shipment by Seller of products under this agreement is subject to the right and ability of Seller to make such sales under all decrees, statutes, rules and regulations of the U.S. Government presently in effect or which may be in effect hereafter, which govern exports or otherwise pertain to export controls. Any order which cannot be fulfilled due to the inability of Seller to obtain necessary export approvals shall be considered to have been rejected by Seller upon receipt.
- 7. DEFECTS; INSPECTION; NOTIFICATION.** Customer must notify Seller in writing of any claimed defect, shortage or inaccuracy in the Products within ten (10) days of Customer's receipt of the Products, or it shall be held to have waived its right to seek remedy thereof or recovery from Seller. Products will be evaluated with an as-shipped condition for review at Seller's discretion to facilitate inspection. Claims for Products that have been processed by Customer, or not in as-shipped condition, will be rejected. All possible claims must be reported to Seller prior to processing the Products.
- 8. DELIVERY PROMISES.** Promises of delivery are given as accurately as conditions permit and reasonable efforts will be made to make deliveries as scheduled. Seller will not be liable for any damages incurred by Customer as a result of delay in shipment. Customer may change its Delivery Schedules from time to time provided acceptance from Seller.
- 9. PACKING AND SHIPPING.** Seller will not perform storage or cartage services. Products will be packed at Seller's discretion in a way adequate to protect the Products while in transit. Unless requested in writing by Customer, no shipments are insured by Seller against damage or loss in transit.
- 10. FORCE MAJEURE.** Seller shall not be liable for failure or delay in delivery due to acts of God, orders bearing priority rating established pursuant to law, differences with workmen, local labor shortages, fire, flood or other casualty, governmental regulations or requirements, shortages or failure of raw materials, supplies, fuel, power or transportation, breakdown of equipment, or any other cause beyond Seller's reasonable control whether of similar or dissimilar nature than those enumerated. Seller shall have such additional time within which to perform as may be reasonably necessary under the circumstances and shall have the right to apportion its production among its customers in such a manner as it may consider to be equitable.
- 11. MODIFICATIONS OR CANCELLATION.** Customer agrees that an order shall in no event be subject to cancellation except by prior written consent of Seller. Customer further agrees that upon cancellation in accordance herewith that the Customer shall fully reimburse Seller for work performed and materials furnished. Order modifications which defer or stop deliveries are subject to Seller's written approval. Prices are subject to renegotiation at Seller's option when manufacturing schedules are modified, or where Products must be manufactured in smaller and/or less economical lot sizes. Seller reserves the right to pass raw material cost increases through to Customer if longer than anticipated delivery periods expose Seller to unanticipated increases in raw material costs. Work in process that is deferred or stopped is subject to a handling charge. Customer will accept shipment and pay for work in process that is within ninety (90) days of completion at time of modification request. Work deferred or stopped in excess of ninety (90) days from the scheduled date of completion may be considered canceled at Seller's option, and Customer shall be liable to Seller for all unpaid invoices and the costs of settling any claims for necessary termination of related sub-contracts, as well as payment at the contract price for finished product, work in process, and raw material in inventory or on order provided that Seller is not able, in its judgment, to use such product, inventory or raw material for other purposes within 30 days of the cancellation.

**12. PATENT INFRINGEMENT.** Customer will indemnify, defend and hold Seller harmless from, and release and not make claim or suit against Seller because of any suits, claims, losses or liability made against, or suffered by Customer arising from any claim of, or infringement of, patent, copyright, trademark, or other proprietary right, at common law, or claim of unfair trade practices or of unfair competition, resulting from or occasioned by Customer's use, possession, sale or delivery of the products sold to the Customer, or upon which services are performed by the Seller.

**13. LIMITED WARRANTY.** Seller expressly warrants that Products shipped shall conform to the description, exceptions and special conditions stated herein. All services are provided based on product of effort basis and Seller assumed no responsibility for the cost of the material being processed by Customer. Customer will notify Seller in writing of any Products or Services which were not made or performed in accordance with this warranty within thirty (30) days after their delivery or performance, and if Customer should fail to give such notification, claims for breach of warranty, if any, shall be waived. Seller will, at its own expense and option, either repair, replace or refund such defective Products, provided that Customer has notified Seller in writing of any such defect within the stated thirty (30) day period. Notwithstanding anything to the contrary herein, Customer's sole and exclusive remedy with respect to defective Products is limited to such repair or replacement. Products may be returned at the expense of Seller only after inspection by a Seller representative and upon receipt by Customer of definite shipping instructions and an authorization identification number. Such returns shall be deducted from the total quantity shipped and replacements will be shipped against the original order. The warranty provisions herein will not apply if (a) the Products were rejected by the use or application of test or inspection procedures or processes not agreed to by Seller; or (b) Customer has or has attempted to correct, repair, rework or otherwise alter the Products without Seller's prior written authorization. No person is authorized to give any other warranties on Seller's behalf.

THERE IS NO IMPLIED WARRANTY OF MERCHANTABILITY WITH RESPECT TO THE GOODS SOLD HEREUNDER.

FURTHERMORE, SELLER MAKES NO WARRANTY THAT THE GOODS SOLD HEREUNDER ARE FIT FOR ANY PARTICULAR PURPOSE. THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, WHICH EXTEND BEYOND THE DESCRIPTION OF THE FACE HEREOF. SELLER SHALL NOT IN ANY EVENT BE LIABLE FOR THE COST OF ANY LABOR EXPENDED ON ANY SUCH GOODS OR FOR ANY SPECIAL, DIRECT, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES TO ANYONE BY REASON OF THE FACT THAT SUCH GOODS DO NOT CONFORM TO THIS CONTRACT OR TO THE EXPRESS WARRANTY STATED HEREIN.

**14. AUDIT.** It is Seller's policy to not allow cost and pricing audits. Seller will not provide such data nor will it allow access to its books, records or facilities for such audits.

**15. MISCELLANEOUS.** These Seller Terms and Conditions (and any agreement under which an order is issued) constitute the entire agreement between the parties with respect to the subject matter herein and supersede all previous proposals, both oral and written, negotiations, representations, commitments, writings and all other communications between the parties. No waiver, alteration, modification of or addition to these Seller Terms and Conditions will be binding unless expressly agreed to in writing and signed by duly authorized representatives of Customer and Seller. A waiver of any of the terms or conditions hereof will not be deemed a continuing waiver, but will apply solely to the instance to which the waiver is directed. If any part of this agreement shall be adjudged by any court of competent jurisdiction to be invalid, such judgment will not affect or nullify the remainder of this agreement, but the effect thereof will be confined to the part immediately involved in the controversy adjudged. Neither party will assign its rights or obligations hereunder without the prior written consent of the other party, which consent will not unreasonably be withheld.

**16. PATENTS.** Customer warrants that it owns, or has been legally authorized to use, all rights, including patent rights, to all drawings and specifications related to tooling and Products and Services for which it is requesting Seller to produce. Customer shall defend Seller against any patent or other infringement claims from third parties relating to its production of tooling and Products and Services as requested by Customer. No patent license is granted or implied by Seller and no warranty is given by Seller against infringement of the patents of others by reason of the use of the Products or Services in combination with other goods or services or in the operation of any process. Seller shall have no responsibility to defend any such suit or proceeding or to pay any damages or costs if the infringement claim arises out of or relates to any action or omission of Customer.

**17. QUANTITY.** Seller maintains the right to ship and bill +/- 10% of estimated weight of order unless otherwise specified on order and acknowledgement and to consider the order complete.

**18. ATTORNEYS' FEES AND APPLICABLE LAW.** The terms, conditions and covenants contained herein shall be governed by and construed in accordance with the law of the State of California as they apply to the transactions between merchants, and venue in any action herein shall be laid in or transferred to the state or federal courts of the State of California. Customer shall pay all costs and expenses of Seller and its successors and assigns incurred in connection with the collection of Customer's obligations hereunder or in the enforcement or attempted enforcement of any of Seller's rights hereunder, including attorneys' fees and disbursements, whether or not an action is filed in connection therewith.

**19. ENTIRE CONTRACT.** These Seller Terms and Conditions constitute the entire contract between Customer and Seller, transcending any oral arrangements, representations, or purchase order of which may be inconsistent therewith.

**20. LIMITATIONS OF LIABILITY.** Notwithstanding any other provisions in these Seller Terms and Conditions:

(a) Any obligation, liability, right, claim or remedy in tort (including, without limitation, for the avoidance of doubt, any breach of statutory duty) that the Customer may otherwise have against Seller is hereby excluded to the fullest extent permitted by law;

(b) Seller shall not be liable to the Customer in contract, tort (including negligence or breach of statutory duty) or otherwise howsoever arising for any loss of profit or any indirect, special or consequential losses or damages of any nature whatsoever including, but not limited to, loss of revenue, loss of business, loss of production, material wastage, depletion of goodwill, reputation or loss or corruption of data, even if Seller has been advised of the possibility of such loss being incurred. Seller aggregate liability to the Customer arising out of the supply of any Products and/or Services will in no event exceed the price actually paid by the Customer to Seller for such Products and/or Services. The Customer agrees and acknowledges that these Seller Terms and Conditions have been the subject of discussion and negotiation and are fully understood by the Customer, and that the mutual agreements of the parties set forth in the Seller Terms and Conditions were arrived at in consideration of the provisions of this Article 20 specifically including the limitation set forth in this Article. Nothing in these Seller Terms and Conditions shall exclude, or be construed as an attempt to exclude, any liability of Seller which cannot, as a matter of law, be excluded. Except as expressly stated, each of the provisions of these Seller Terms and Conditions is to be construed as a separate limitation, applying and surviving even if for any reason one or more of the provisions of these Seller Terms and Conditions is held to be inapplicable or unreasonable in all or any circumstances.