

## **HARTREE PARTNERS GENERAL TERMS AND CONDITIONS**

### **FOR PURCHASES AND SALES OF STEEL AND STEEL PRODUCTS, JUNE 29 2017 EDITION**

#### 1. DEFINITIONS

"Agreement" has the meaning given to it in Section 2 (a) below.

"Buyer" means the Party obligated to purchase Product from Seller under this Agreement.

"Business Day" means a day (other than a Saturday or Sunday) on which commercial banks are authorized to open for business in the State of New York.

"Confirmation" means a communication between Buyer and Seller evidencing and confirming the economic terms of the Transaction and setting out terms which amend or supplement these GTCs.

"Costs" shall mean, brokerage fees, commissions and other similar transaction costs and expenses reasonably incurred by such Party in connection with the termination of any Terminated Contract, including but not limited to the brokers' fees, resale costs, collection and enforcement costs (including but not limited to any reasonable attorneys' fees, if any, incurred in connection with any default or failure to perform by the other Party, enforcing any of its rights under this Agreement or entering into such new agreements), and shall also include any costs incurred as a result of its terminating, liquidating, obtaining, replacing or reestablishing any Terminated Contract.

"Delivery Point" – delivery point specified in the Confirmation, being the place at which Seller will place the Product available for Buyer to collect, subject to the title transfer provisions of this Agreement.

"Gains" shall mean, with respect to a Party, an amount equal to the present value of the economic benefit, if any (exclusive of Costs), to such Party resulting from the termination of its obligations with respect to the terminated Agreement, determined in a commercially reasonable manner.

"GTCs" means these Hartree Partners General Terms and Conditions for Purchases and Sales of Steel and Steel Products, May 29 2015 Edition

"Losses" shall mean, with respect to a Party, an amount equal to the present value of the economic loss, if any (exclusive of Costs), to such Party resulting from the termination of the Terminated Contract, determined by such Party in a commercially reasonable manner.

"Party" means Buyer or Seller, individually, and "Parties" means Buyer and Seller, collectively.

"Product" means Hot Rolled Coil Steel or such other steel product as is specified in the relevant Confirmation.

"Seller" means the Party obligated to sell Product to Buyer under this Agreement.

"Transaction(s)" means any agreement between the Parties for the purchase, sale or exchange of Product that is evidenced by a Confirmation or by an oral agreement, electronic mail, instant messenger or otherwise.

#### 2. ENTIRE AGREEMENT

(a) These GTCs are intended to be supplemented by a Confirmation which, together with these GTCs, will constitute the agreement of the Parties with respect to the relevant Transaction (the "Agreement"). In the event of any inconsistency between the provisions of these GTCs and the provisions of the Confirmation, the provisions of the Confirmation shall prevail.

(b) This Agreement constitutes the complete and exclusive agreement between Buyer and Seller with regard to the matters contained herein. No terms or conditions (whether consistent or inconsistent) other than those stated in this Agreement and no agreement or understanding, oral or written, in any way purporting to modify these GTCs shall be binding on Seller unless expressly agreed upon in writing by authorized representatives of both Seller and Buyer.

### 3. STANDARDS

The Product shall be of a size and be within the specifications (including the tolerances) set out in the Confirmation.

### 4. PRICE

(a) The price is payable in U.S. Dollars. The price to be paid shall not be subject to any set-off, discount or reduction.

(b) Payment shall be made at the time specified herein. If timely payment is not made, Seller, in addition to its other legal rights, shall be entitled to charge interest on all overdue payments at the prime rate as published in the Wall Street Journal on the payment due date plus 2% per annum. The interest charge, however, shall not exceed any maximum rate permitted by law. The provisions of this Section shall not be construed as an indication of any willingness on the part of Seller to provide extended credit as a matter of course and shall be without prejudice to any rights and remedies which Seller may have under this Agreement or otherwise.

### 5. TAXES AND DUTIES

Buyer is responsible for paying any Taxes associated with the Product sold under this Agreement that may become due at and after the arrival of the Product at the Delivery Point other than ad valorem, franchise or net income Taxes which are related to the sale of the Product and are therefore the responsibility of Seller. Seller is responsible for paying any Taxes associated with the Product sold under this Agreement that may become due prior to the arrival of the Product at the Delivery Point. The price of the Product does not include Taxes that are or may be the responsibility of Buyer, unless such inclusion is required by law. If a Party is required to remit or pay Taxes that are the other Party's responsibility hereunder, the Party responsible for paying for such Taxes shall promptly reimburse the other Party for such Taxes. Nothing in this Section shall obligate or cause a Party to pay or be liable for any Taxes for which it has established a clear exemption pursuant to relevant tax law. Any Party entitled to an exemption from any Taxes shall furnish the other Party any necessary documentation therefor, and will be liable for any Taxes assessed against the other Party because of its failure to timely provide or properly complete any such documentation. "Taxes" means all applicable federal, state and local taxes, including any associated penalties and interest and any new taxes imposed in the future during the term of this Agreement.

Seller shall be responsible for and pay fines or excess duties, if any, imposed against a shipment (whether assessed against Seller, Buyer or Buyer's customers) because of a violation by Seller of U.S., Canadian or other foreign custom laws and/or import regulations, or because of Seller's failure to comply with Buyer's instructions.

### 6. DELIVERY

Dates of periods for delivery are approximate and are given for information only and shall, under no circumstances, be essential terms. Unless otherwise specified, Seller shall have the right to make partial deliveries. Each partial delivery or installment of the Product shall be deemed to be sold under a separate contract containing all of the terms and conditions set forth herein and payment shall be due therefor as delivered in accordance with the terms of payment herein.

7. RISK OF LOSS and TITLE.

Risk of loss shall pass to Buyer upon tender of delivery at the Delivery Point. Title to and ownership to the Product shall pass to Buyer upon tender of delivery at the Delivery Point.

8. INSPECTION

(a) Buyer shall inspect the Product at the Delivery Point. If Buyer alleges that the Product or any part thereof is not in accordance with the Agreement, except in circumstances where subparagraph (b) applies, Buyer shall give written notice stating all defects on which Buyer proposes to rely to Seller within thirty (30) days after the arrival of the Product at the Delivery Point. Where Buyer gives Seller a notice of defect(s), Buyer shall afford facilities to Seller or its agents to inspect the Product before the Product is used, processed, sold or otherwise dealt with and the entire quantity of the Product which is the subject of Buyer's notice of defect(s) shall remain segregated from any other product until any dispute as to the quality or quantity of the Product is resolved. If Seller determines, in its sole discretion, that the Product or any part thereof is proven not be in accordance with the Agreement, then Seller will accept Buyer's rejection of such Product and Buyer shall set aside such defective Product for Seller. Seller may, at its sole option, either:

(i) cure the non-conformity at a location to be designated by Seller within a reasonable time; or

(ii) pick-up and replace such Product within a reasonable time at the Delivery Point; or

(iii) allow Buyer to retain such defective Product and credit Buyer with the invoice price thereof less their fair market value; or

(iv) pick-up such Product without delivering a replacement and credit Buyer with the invoice price thereof;

(b) If Seller agrees to allow Buyer or its agent or representative to inspect the Product at the producing works before delivery, that inspection shall be final and on its completion Buyer shall be deemed to have accepted all Product made available for inspection unless Buyer or its agent or representative shall serve written notice to Seller within five (5) days of the completion of its inspection that the Product or any part thereof are not in accordance with the Agreement. Seller shall then have the right to inspect said defective Product and, if proved to be defective, Seller, within a reasonable period of time, shall have the right to cure the non-conformity and deliver replacement Product at the Delivery Point or, at Seller's option, cancel its delivery of Product and allow Buyer a credit for the invoice price thereof;

(c) Any and all inspections by Buyer shall be at Buyer's sole cost and expense;

(d) Buyer shall not return any of the Product to Seller nor shall Buyer withhold payment or deduct the cost of the alleged defective Product or any part thereof without Seller's express written consent; and

(e) The remedies afforded Buyer in this paragraph are in lieu of any other legal or equitable remedies including those set forth in paragraph 11 hereinafter. BUYER'S FAILURE TO INSPECT AND/OR NOTIFY SELLER AS PROVIDED

ABOVE SHALL BE DEEMED TO BE A WAIVER OF ANY AND ALL RIGHTS AND REMEDIES THAT BUYER MAY HAVE WITH REGARD TO ANY DEFECT OR NON-CONFORMITY REGARDING THE PRODUCT EXCEPT FOR ANY LATENT DEFECT WHICH WOULD NOT HAVE BEEN DISCOVERABLE UPON REASONABLE INSPECTION.

9. BUYER'S MATERIALS

Where Buyer supplied patterns, drawings, samples, equipment or materials (hereinafter referred to collectively as "Materials") for the production of the Product; the quotation of Seller is made on the assumption that such Materials are in good condition, true to drawings and entirely suitable to the methods of production of Seller or Seller's supplier and for the production of the Product in the quantities required. For the mutual benefit of the Parties, Buyer will consult Seller when new Materials are to be made. While Seller uses its best endeavors to verify Materials supplied by Buyer, no responsibility is accepted by Seller for the accuracy of Buyer's Materials. Replacement of or alterations or repairs to Buyer's Materials due to normal wear and tear which render their condition unsuitable for satisfactory production shall be paid for by Buyer. Where Materials are not supplied by Buyer, only such patterns or materials as are specially made by Seller's supplier and separately charged to Buyer in full shall, when paid for, become the property of Buyer. Freight on Materials supplied by Buyer will be paid by Seller in one direction only. Seller will use its best endeavors to ensure that all reasonable care is taken of Buyer's Materials while in Seller's or its supplier's possession but no liability is accepted for loss or damage arising from accident, fire, flood, larceny, civil commotion, war, or deterioration to or of the Materials and no insurance will be effected in respect of Materials lodged with Seller or its supplier from which Buyer has not required Products to be made for a period of twelve (12) months or more.

10. WARRANTY OF TITLE

Seller represents and warrants that (a) it has good marketable title to, or has proper and sufficient authority to sell, the Product delivered by it hereunder free and clear of all taxes (except as otherwise set out in this Agreement), royalties, security interests, liens and adverse encumbrances; and (b) it has full right and authority to transfer such title and effect delivery of such Product to Buyer.

11. INDEMNIFICATION

(a) Seller agrees to indemnify, defend and hold Buyer harmless from any and all claims, demands, proceedings and actions which may be made or brought against Buyer by any person, including any purchaser of the Product or any product made therefrom, arising from Seller's title to or right to sell the Product, from any failure of Seller to obtain any and all necessary approvals, permits, licenses, and the like, of all lawful governmental authorities for the sale (including export, if applicable) and delivery of the Product, from the use of such Product or any product in which such Product is used, including, but not limited to, infringement of any patent, trademark or trade name, copyright and the like, or from any latent or hidden defects in the quality of said Product, or from the dangerous condition thereof.

(b) Each Party to this Agreement shall indemnify, defend, and hold the other harmless from claims, demands, and causes of action asserted against the other by any other person (including without limitation employees of either Party) for personal injury, for loss of or damage to property, or for violations of law resulting from the willful or negligent acts or omissions of the indemnifying Party in connection with the performance of this Agreement. Where personal injury, death, or loss of or damage to property is the result of the joint negligence or misconduct of the Parties hereto, the Parties expressly agree to indemnify each other in proportion to their respective share of such joint negligence or misconduct.

## 12. LIMITATIONS OF LIABILITY

NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, NEITHER PARTY SHALL BE LIABLE UNDER OR IN CONNECTION WITH THIS AGREEMENT OR UNDER ANY OTHER THEORY OF LAW, WHETHER IN CONTRACT, TORT OR OTHERWISE, FOR ANY SPECIAL, INDIRECT, CONTINGENT, INCIDENTAL OR CONSEQUENTIAL DAMAGES AND TO THE EXTENT NOT CONSTITUTING INDIRECT, CONTINGENT, INCIDENTAL OR CONSEQUENTIAL DAMAGES, ANY LOSS OF ANTICIPATED PROFITS, REDUCED PRODUCTION, GOODWILL, USE, MARKET REPUTATION, BUSINESS RECEIPTS OR COMMERCIAL OPPORTUNITIES. THE PARTIES WAIVE THEIR RIGHT THERETO INCLUDING ANY WAIVER REQUIRED UNDER ANY STATUTORY PROVISION. TO THE EXTENT ANY DAMAGES REQUIRED TO BE PAID HEREUNDER ARE LIQUIDATED, THE PARTIES ACKNOWLEDGE THAT THE DAMAGES ARE DIFFICULT OR IMPOSSIBLE TO DETERMINE, OR OTHERWISE OBTAINING AN ADEQUATE REMEDY IS INCONVENIENT AND THE DAMAGES CALCULATED HEREUNDER CONSTITUTE A REASONABLE APPROXIMATION OF THE HARM OR LOSS.

## 13. WARRANTY

Seller warrants the Product sold hereunder will conform to the specifications contained in this Agreement, subject to the tolerances set out in this Agreement and Seller's standard manufacturing variations (if any), and will be free from defects in material and workmanship. THIS EXPRESS WARRANTY IS IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE, OR OTHERWISE.

## 14. FORCE MAJEURE

(a) Neither Party shall be liable in damages or otherwise for failure or delay in satisfaction of its obligations hereunder (except the obligation to pay for all Product deliveries) when said failure or delay is due to Force Majeure as hereinafter defined. "Force Majeure" as used herein shall mean any cause whatsoever beyond the reasonable control of the affected Party (the "Affected Party") which prevents or restricts the Affected Party from satisfying its obligations hereunder and which could not reasonably have been avoided, including, but not limited to: (i) acts of God, storm, fire, explosion, earthquake, insurrections, wars, sabotage, acts of terrorism, embargoes, blockages, war, civil unrest, riots, strikes, lockouts, labor difficulties and action of the elements, (ii) compliance, either voluntary or otherwise, with any request, order, directive, requisition, or a necessity of any government authority, (iii) restriction or cessation of production of Products due to the imposition of requirements or conditions by any government authority that makes it necessary to cease or reduce the manufacture of the Product.

(b) For contracts entered into for delivery to the United States, both the Seller and Buyer agree that any imposition of prohibition of import or other restrictive terms, including duty or tax, by any U.S. government authority, will be deemed a Force Majeure event and permitted grounds for Buyer or Seller to cancel any existing contract or contracts not yet shipped in accordance with (c) below.

(c) The Buyer or the Seller may exercise this "prohibition of import force majeure clause" on any such not-yet shipped contract(s) described in A. above within 30 days of the said government order becoming effective if the government order creates a new duty or tax rate above the rate in effect immediately prior to the imposition of prohibition of import order, import quota, suspension of import license, embargo, or other government device that prevents the Buyer or Seller from executing the respective contract(s).

(d) Notwithstanding anything else herein, none of the following, for that reason alone, will be deemed to be Force Majeure: (i) currency or interest rate fluctuations, or changes in banking charges or practices; (ii) Seller's ability to sell or Buyer's ability to purchase Product at a more advantageous price; (iii) lack of finances for any reason; (iv) any failure by a Party to apply for, obtain or maintain any permit, license, approval or right of way necessary under

applicable law for the performance of any obligation hereunder; or (v) a Party's inability to economically perform its obligations under this Agreement. Nothing in this Section 14 shall excuse Buyer from its obligation to pay for Product that has been delivered under this Agreement.

15. PERFORMANCE ASSURANCE

(a) For the purpose of this Section 15, "Performance Assurance" means any document which by its terms secures or guarantees a Party's performance of its obligations under this Agreement in a manner acceptable to the other Party, including standby letters of credit, parent or bank guarantees or cash prepayment. If, in the sole opinion of a Party ("Demanding Party"), acting reasonably, the ability of the other Party to pay or perform any obligation to be paid or performed by the other Party under this Agreement is or becomes impaired or in any way unsatisfactory, the Demanding Party may demand Performance Assurance from the other Party, whether or not an Event of Default has occurred, which Performance Assurance shall be provided by the other Party by 1 PM New York time on the second (2nd) Business Day after the demand is received. All charges in respect of the Performance Assurance shall be for the other Party's account.

(b) Notwithstanding any other terms in this Agreement to the contrary, during the period following notice and prior to the establishment of said Performance Assurance, the Demanding Party shall have no obligation to: (a) sell and deliver Product to; or (b) receive and purchase Product from, the other Party or to extend the other Party any credit whatsoever. Any delay and any costs associated with such delay shall be for the account of the other Party. The Demanding Party may hold as Performance Assurance any amounts due by Demanding Party to the other Party until such time as Performance Assurance is provided in accordance with such demand.

16. DEFAULT AND TERMINATION

16.1 Either Party may terminate this Agreement ("Liquidating Party") if the other Party ("Defaulting Party") experiences one or more of the following events (each such event, a "Termination Event"):

(a) such entity (i) files a petition or otherwise commences, authorizes or acquiesces in the commencement of a proceeding or cause of action under the United States Bankruptcy Code or any other bankruptcy, insolvency, reorganization or similar law, or has any such petition filed or commenced against it, (ii) makes an assignment or any general arrangement for the benefit of creditors, (iii) otherwise becomes bankrupt or insolvent (however evidenced), (iv) has a liquidator, administrator, receiver, trustee, conservator or similar official appointed with respect to it or any substantial portion of its property or assets, or (v) is generally unable to, or admits in writing its inability to, pay its debts as they fall due.

(b) fails to make any payment or delivery or perform any other material obligation (other than as provided in subsection (c) below), in each case when due, (i) under this Agreement if such failure is not cured within two (2) Business Days after notice thereof, or (ii) under any other agreement with the Liquidating Party if such failure is not cured within any applicable grace period provided for in such other agreement;

(c) fails to provide Performance Assurance in accordance with Section 15 of this Agreement if such failure is not cured within one (1) Business Day after notice thereof; or

(d) makes or is deemed to make a representation or warranty that proves to have been untrue or misleading in any material respect when made or deemed to have been made.

16.2. Liquidation

(a) Upon the occurrence of a Termination Event as specified in sub-section 16.1 above, Liquidating Party shall have the right, exercisable in its sole discretion and at any time upon prior notice to Defaulting Party, to liquidate this Agreement and all other agreements then outstanding between the Parties (howsoever the Liquidating Party may be designated thereunder) by declaring this Agreement and all such other agreements terminated, whereupon the Agreement and all such other agreements shall automatically be terminated without any further action required ("Terminated Contracts") (any such termination, an "Early Termination"). Provided further, however, that with respect to any of the Termination Events specified in sub-section 16.1 (a) above, no notice is required from the Liquidating Party, and an Early Termination in respect of this Agreement and all other agreements then outstanding between the Parties will occur immediately upon the occurrence of such Termination Event. Upon such Early Termination, Liquidating Party shall calculate the Gains, Losses and Costs (either positive or negative), if any, for each Terminated Contract (as determined by Liquidating Party in a commercially reasonable manner at a time or times reasonably determined by Liquidating Party), and may aggregate or net all such calculated Gains, Losses and Costs into a single liquidated settlement amount ("Settlement Amount").

(b) As determined under sub-section 16.2 (a) above, if such Settlement Amount is a positive number, it shall be payable by Defaulting Party to Liquidating Party, and if such Settlement Amount is a negative number, then the absolute value thereof shall be payable by Liquidating Party to Defaulting Party.

(c) The Settlement Amount will be due and payable upon demand therefor. At the discretion of Liquidating Party and without prior notice to Defaulting Party, the Settlement Amount may be reduced by and/or set-off against any amounts payable (whether or not arising under this Agreement or otherwise matured or contingent, and irrespective of the currency, place of payment, or place of booking of the obligation) between Liquidating Party and Defaulting Party and/or any of their respective affiliates. Provided, further, that to the extent permitted and possible, if any term of the set-off provision set forth herein is found by a court of competent jurisdiction to be invalid or unenforceable, the invalid or unenforceable term shall be deemed replaced by a term that is valid and enforceable and that comes closest to expressing the original intention of the Parties in relation to the set-off provision as set forth herein.

(d) For purposes of calculating the Settlement Amount, the Liquidating Party shall not be required to enter into any replacement transaction(s).

(e) Each Party hereby acknowledges and agrees that the payment obligations set forth in this Section 16 are reasonable in light of the anticipated harm and the difficulty of estimation or calculation of actual damages and each Party hereby waives the right to contest such payments as an unreasonable penalty or otherwise.

(f) In addition and without duplication, if a Termination Event occurs with respect to a Party as the Defaulting Party, then the Defaulting Party shall reimburse the Liquidating Party for Costs incurred in connection with such default or failure to perform, or the occurrence of such Termination Event, including, without limitation, reasonable attorneys' fees and expenses incurred in connection with any Terminated Contract, including any litigation arising from, arising out of, or relating to this Agreement.

## 17. WAIVER

With the exception of any applicable statutes of limitations, no delay or failure by either Party to exercise any right under this Agreement, and no partial or single exercise of that right, shall constitute a waiver of that or any other right, or prevent or restrict the further exercise of that right, unless said waiver is supported by additional consideration and authorized in writing by the Party providing said waiver.

## 18. AMENDMENT

This Agreement may be modified, added to, altered, or amended only by a writing agreement signed by the Parties.

#### 19. ASSIGNMENT

Neither of the Parties to this Agreement shall assign this Agreement or any rights or obligations hereunder without the previous consent in writing of the other Party which shall not be unreasonably withheld, conditioned or delayed.

#### 20. SEVERABILITY

In the event one or more of the provisions (or part thereof) contained in this Agreement shall be invalid or legally unenforceable in any respect under any applicable law, the validity, legality or enforceability of the remaining provisions hereof shall not be affected or impaired thereby and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

#### 21. REPRESENTATIONS

EACH PARTY REPRESENTS THAT IT IS AN "ELIGIBLE CONTRACT PARTICIPANT" AS DEFINED IN SECTION 1A (18) OF THE COMMODITY EXCHANGE ACT, AS AMENDED, AND A FORWARD CONTRACT MERCHANT IN RESPECT OF THIS CONTRACT, AND THAT THIS CONTRACT IS A FORWARD CONTRACT FOR PURPOSES OF THE UNITED STATES BANKRUPTCY CODE.

#### 22. NO THIRD PARTY BENEFICIARIES

Nothing expressed or implied in this Agreement is intended to create any rights, interests, obligations or benefits under this Agreement in any person other than Buyer and Seller and their respective successor and permitted assigns.

#### 23. CHOICE OF LAW

This Agreement shall be governed by and interpreted in accordance with the laws of the State of New York, without reference to its choice of law doctrine. Each Party consents and submits to the exclusive jurisdiction of the courts of the State of New York and all courts of appeal therefrom with respect to this Agreement and any actions or associated legal proceedings between the Parties, and to service of process by certified mail delivered to the Party at its last designated address.

The United Nations Convention on Contracts for the International Sales of Goods (1980) shall not apply to this Agreement.

#### 24. JURY WAIVER

THE PARTIES HERETO WAIVE, TO THE EXTENT PERMITTED BY LAW, THEIR RIGHT TO TRIAL BY JURY IN ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT AND THESE TERMS AND CONDITIONS.