

PURCHASE ORDER CONDITIONS

1. The term "materials" as used herein shall include tangible personal property, labor, services and/or other items covered by or related to items covered by this Purchase Order.
2. The price herein specified shall, unless otherwise expressly stated, include all taxes and duties of any kind which either party is required to pay with respect to the sale of the materials covered. Goods and Services and Provincial Sales taxes shall be shown as a separate item to be paid by Purchaser. The time for the payment of invoices, or for accepting any discounts offered, shall run from the date correct invoices are furnished to the Purchaser, or from the date of receipt of materials whichever is later. Any delay in receiving Sellers invoices or any errors and omissions on statements or invoices shall be considered just cause for withholding settlement without losing discount privileges.
3. When terms of delivery are F.O.B. Purchasers plant or other place of business, all transportation charges shall be paid by Seller. No allowance to Seller will be made for packing, cartage, crating or storage unless otherwise stated herein.
4. All materials furnished shall be the best of their respective kinds, conform to all applicable laws and regulations, and be subject to Purchasers inspection and approval at any time within thirty (30) days after the same are put in active operation and if rejected, they will be held for disposition at Sellers risk and expense; and any payment on account therefore shall be promptly refunded by Seller. Purchaser may, in its sole discretion, use any materials or equipment not in accordance with the foregoing and, in such event, Purchaser may charge the Seller incidental losses and any reasonable expenses arising from the reconditioning of the materials or equipment. In no event shall the use of, or payment for, materials or equipment having latent defects be considered an acceptance thereof. The quantity of materials furnished shall not exceed the quantity of materials ordered and materials shall not be substituted by Seller without first obtaining Purchasers written consent.
5. Title and risk of loss to the materials shall pass to Purchaser upon receipt and acceptance by Purchaser at Purchasers job site or at a designated delivery point.
6. Purchaser shall not be liable for failure to accept any materials under this Purchase Order if such failure is the result of any cause beyond the control of Purchaser including, but not limited to, fires, floods, strikes, differences with employees, casualties, delays in transportation, shortages of cars, inability to obtain necessary materials or machinery or total or partial shutdown of Purchasers plant for any cause.
7. Purchaser may, by written change order, make any changes to, including additions to or deletions from, the quantities of materials ordered and/or the specifications of the materials. If any such change affects the amount due or the time of performance hereunder, an equitable adjustment shall be made. Purchaser may at any time, by written change order, terminate this Agreement as to all or any portion of the materials then not furnished. No adjustment will be made in favor of Seller with respect to any materials which are Sellers standard stock. No such termination shall relieve Seller of its obligation as to any materials delivered hereunder. Any claim for adjustment hereunder must be asserted in writing within thirty (30) days from the date when the change or termination is ordered.
8. The materials shall be subjected to inspection by Purchaser or its representatives. Purchasers personnel shall be allowed reasonable access to Sellers plants, and those of its sub-

suppliers, for inspection purposes. As required by the Purchaser, Seller shall supply schedules and progress reports for the Purchaser's use in inspection. Any shipment is subject to postponement by Purchaser without penalty or other claim by Seller. Purchaser shall be kept informed as to progress of processing this Purchase Order and shall be immediately notified in the case of delay or impending delay in delivery of materials or performance of services.

9. Seller expressly warrants that all articles, material and work covered by this Purchase Order shall conform to the specifications, drawings, samples, or other descriptions furnished or adopted by Purchaser and will be fit and sufficient for the purpose intended, merchantable, of good material and workmanship and free from defect. Failure to give notice of defects to Seller shall not constitute a waiver of breach of warranty or of any other condition.

10. The failure of Purchaser to insist upon such strict performance of any of the terms and conditions hereof, or the failure or delay of Purchaser to exercise any rights or remedies provided herein or by law, or the failure of Purchaser to properly notify Seller in the event of breach, or Purchaser's acceptance of or payment for any materials hereunder shall not release Seller of any of the warranties or obligations of this Purchase Order and shall not be deemed a waiver of any rights or remedies as to any such materials, regardless when shipped, received or accepted, or as to any prior or subsequent default hereunder.

11. Seller shall keep in force general liability bodily injury insurance (on which Purchaser shall be named as an additional insured) in the minimum amount of \$1,000,000.00 for any one person and for any one accident, comprehensive general liability insurance (on which Purchaser shall be named as an additional insured) in the minimum amount of a \$1,000,000.00, the amount of workers compensation or workplace safety insurance as required by applicable law and contractual liability insurance with limits of at least \$1,000,000.00.

12. Seller warrants that all goods sold hereunder shall be produced, sold delivered and furnished in strict compliance with all applicable laws and regulations to which the parties and/or the materials are subject. Seller agrees to indemnify, defend and hold harmless Purchaser from and against any and all claims for personal injury, death or property damage and any other losses, liabilities, damages, deficiencies, judgments, amounts paid in the settlement, charges or expenses, including reasonable attorneys fees, which arise or are alleged to have arisen out of, or in connection with, Seller's obligations under this Purchase Order, including but not limited to:

(a) Patent, trademark or copyright infringement arising from the use or sale of any materials purchased hereunder;

(b) Defects of any kind in design, manufacture, preparation or handling of any materials by Seller;

(c) The use of any such defective materials by Purchaser; and/or

(d) Seller's breach of the terms of this Purchase Order

Seller's indemnity and defense obligations shall extend to and include liability for the sole contributory or concurrent negligence of Purchaser.

Seller shall execute and deliver such documents as may be required to effect or to evidence compliance.

13. If it becomes necessary for Seller to employ workmen at Purchasers jobsite, the conditions of such employment shall be such as will cause no conflict or interference with or between the various trades or any labor agreements. The parties agree that status of seller and its employees working on the Purchasers premises is that of an independent contractor and not as an employee of the Purchaser.

14. If Sellers work involves operations by Seller on the premises of Buyer, Seller shall abide by all policies and procedures of the Gerdau SAFETY IN ACTION: CONTRACTOR POLICIES AND PROCEDURES FIELD MANUAL. Seller or Seller's representative must have thorough knowledge of safety requirements and must contact Buyer before entering the applicable Buyer location. All contractors must meet the Safety- Prequalification status of APPROVED, CONDITIONALLY APPROVED with conditional documentation completed, or EXEMPT prior to being admitted onto Buyers property to conduct work and receive payment for work.

15. Each party agrees that it may receive from the other party certain confidential business and/or technical information ("Confidential Information") that is owned by or in possession of that party. Each party agrees that proper and appropriate steps shall be taken and maintained by it to protect the Confidential Information received. Each party will only use Confidential Information in furtherance of this Agreement. Each party reserves all rights to its Confidential Information not expressly granted herein.

16. Seller shall have no right to assign this Purchase Order or any rights hereunder without the prior consent of Purchaser.

17. The terms and conditions provided herein and the rights of all parties hereunder shall be construed under and governed by the laws of the Province of Ontario.

18. Should Purchaser retain an attorney to enforce its rights herein, then it shall be entitled to recover from Seller reasonable attorneys fees, court costs and other incidental expenses.

19. This Purchase Order, including these terms and conditions, the specifications and any additional terms and conditions incorporated into an attachment hereto, constitutes the sole and entire agreement between the parties. Sellers quotation is incorporated in and made a part of this Purchase Order only to the extent of specifying the nature and description of the goods ordered, and then only to the extent that such items are consistent with other terms of this Purchase Order. No other terms or conditions shall be binding upon Purchaser unless accepted by it in writing. Any provisions herein for delivery of goods or the rendering of services by installments shall not be construed as making the obligations of Seller severable.

20. Anti-Corruption: Seller shall (i) strictly comply with all applicable anti-corruption regulations and laws including, without limitation, the Canadian Corruption of Foreign Public Officials Act of 1998 and the United States Foreign Corrupt Practices Act of 1977; (ii) carry out its activities with full compliance with the highest ethical standards; and (iii) cause its employees and representatives to comply with the Gerdau Code of Ethics for Third Parties and related Policies found at <https://ri.gerdau.com/corporate-governance/bylaws-codes-and-policies> and to report illegal or unethical acts or activities in accordance with such policies. Seller shall notify Gerdau, promptly and in writing, detailing any suspicion, indication or confirmation of the violation of this provision by Seller its employees or representatives. Failure to comply with the obligations described herein shall be considered a material breach of this Agreement and shall give Gerdau the right to terminate this Agreement immediately and independent of any prior notification without penalty to Gerdau.