

## Terms and Conditions of Sale

**1. ENTIRE CONTRACT.** The following Terms and Conditions of Sale (the “**Terms**”) are applicable to the sale of all goods (“**Goods**”) by Cleveland Steel Container Corporation or any of its affiliates or subsidiaries (“**CSC**”) to any purchaser thereof (“**Buyer**”). All orders, quotations, and purchases from CSC are subject to these Terms to the exclusion of all other terms. ANY ADDITIONAL OR DIFFERENT TERMS IN BUYER’S PURCHASE ORDER OR OTHER DOCUMENT ARE HEREBY DEEMED TO BE MATERIAL ALTERATIONS, AND NOTICE OF REJECTION OF SUCH TERMS IS HEREBY GIVEN. No course of prior dealings between the parties or usage in the trade shall be relevant to supplement or explain any term hereof.

**2. ORDERS.** The following minimum order quantities apply to orders placed and shipped direct from CSC to any Buyer location: (a) Litho/Roll Coated Pails/Covers: 2000 units; (b) all other Plain Painted Pail/Covers: 1000 units. CSC manufactures all Goods to order and maintains no finished Goods inventory. CSC reserves the right to ship Goods in quantities with a variance of plus or minus 5%. CSC’s lead times will vary based on seasonal business and market conditions. Current lead times can be found on CSC’s web site at [www.cscpails.com/capabilities/current-lead-times/](http://www.cscpails.com/capabilities/current-lead-times/). CSC will make commercially reasonable efforts to notify Buyer of changes to lead times. Special requests for rush orders will be accommodated when possible.

**3. PRICING.** Unless otherwise stated on an Attachment or on CSC’s Quotation and Specification form, pricing is based on a minimum truckload quantity of units. Any variation in pack quantity will reflect a difference in price based upon a freight differential. Prices are subject to change. Pallets are billed separately on invoices at the rate of \$9.00 each, unless otherwise noted. CSC coordinates all litho design and plate-making work for its customers through approved vendors. CSC bills charges for design, artwork, proofs, and litho plates separately, unless otherwise noted.

**4. PAYMENT TERMS.** Unless otherwise specified in the applicable order, payment is due within thirty (30) days of the date of CSC’s invoice, provided that CSC will offer a half-percent (1/2%) discount on payments made within ten (10) days (1/2% 10, net 30 days). CSC reserves the right to decline to accept any order or make any shipment whenever, for any reason, it has doubt as to Buyer’s financial responsibility, and CSC shall not in such event be liable for breach or non-performance of contract in whole or in part.

**5. ACCEPTANCE.** Upon receipt, Buyer shall immediately inspect and test the Goods. Unless Buyer provides CSC with written notice describing with particularity of any defects or the amount of any shortage claimed within ten (10) days after delivery, the Goods shall be deemed accepted by Buyer.

**6. SHIPPING TERMS; TITLE; RISK OF LOSS.** Unless otherwise agreed, all shipments are FOB Origin. The Goods will be deemed to be delivered when loaded onto a carrier at Origin. Title to and risk of loss of the Goods pass to Buyer upon delivery.

**7. PRODUCT COMPATIBILITY.** Consistent with Title 49 of the Code of Federal Regulations, product and container compatibility is the sole responsibility of the shipper. CSC makes no warranty with respect to the compatibility of any Goods sold hereunder with the products or materials to be held or transported in such Goods. CSC assumes no responsibility for product compatibility testing and selection of a proper container and makes no representations as to product and container compatibility upon sampling or sale. Buyer assumes sole responsibility with respect to the selection of Goods that are suitable and compatible to the material or product to be held or transported therein. Proper compliance with pail closing instructions as provided by CSC is the sole responsibility of the shipper.

**8. WARRANTY.** CSC WARRANTS THAT GOODS SUPPLIED BY CSC IN ACCORDANCE WITH THE SPECIFICATIONS LISTED IN CSC’S QUOTE AND ACCEPTED BY BUYER (“SPECIFICATIONS”) WILL CONFORM IN ALL MATERIAL RESPECTS TO SUCH SPECIFICATIONS AS OF THE DATE OF SHIPMENT. If any of the Goods are alleged by Buyer not to materially conform to the specifications as of the date of shipment, Buyer must promptly notify CSC in writing and provide such details, samples, and other supporting information that CSC may reasonably require to evaluate Buyer’s claim. Upon CSC’s determination that the Goods do not conform to the specifications, CSC shall, at its option, either replace the non-conforming Goods at CSC’s cost or issue a refund to Buyer of the amounts paid for such non-conforming Goods. **The parties hereto expressly agree that Buyer’s sole and exclusive remedy and CSC’s sole obligation for any breach of the foregoing warranty shall be for CSC to replace or refund the amounts paid by Buyer for the non-conforming Goods.** This exclusive remedy shall not be deemed to have failed of its essential purpose so long as CSC is willing and able to replace non-conforming Goods. THE FOREGOING WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THOSE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. No affirmation of CSC by words or action, other than as set forth in this Section 8, including without limitation, any technical advice or information regarding the Goods, whether given verbally, in writing, as test results, or otherwise, shall constitute a warranty, either expressed or implied. At CSC’s request, Buyer will send, at Buyer’s sole expense, any allegedly defective Goods to a location specified by CSC. CSC’s warranty extends only to Buyer. Goods that may be sold by CSC but that are not manufactured by CSC are not warranted by CSC but are sold only with the warranties, if any and to the extent permitted by laws, of the manufacturers thereof. Unless otherwise agreed by CSC, this warranty does not cover labor or

other costs or expenses to remove or install any non-conforming, repaired, or replaced Goods. Any claim relating to the Goods sold hereunder shall be deemed waived by Buyer unless submitted in writing to CSC within ten (10) days following the date Buyer discovered or by reasonable inspection should have discovered any claimed breach of the foregoing warranty.

**9. LIMITATION ON DAMAGES; INDEMNITY.** IN NO EVENT SHALL CSC BE LIABLE FOR INCIDENTAL, INDIRECT, OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR IN CONNECTION WITH THESE TERMS OR ANY ORDER OR QUOTATION TO WHICH THEY APPLY. BUYER SHALL INDEMNIFY CSC FOR ALL CLAIMS, DEMANDS, LIABILITY, COST, OR EXPENSE (INCLUDING ATTORNEY FEES) SUSTAINED OR INCURRED BY CSC TO THE EXTENT ARISING OUT OF BUYER'S ACTS, OMISSIONS, NEGLIGENCE, OR BREACH OF THESE TERMS.

**10. DELAYS.** All shipping dates are contingent upon current availability of materials, present production schedules, and prompt receipt of all necessary information from Buyer. CSC will not be liable for any damage, loss, cost, or expense arising out of CSC's delayed performance or nonperformance caused by: (a) strikes, fires, disasters, riots, or acts of God, (b) acts or omissions of Buyer, (c) shortages of labor, fuel, power, materials, supplies, transportation, or manufacturing facilities, (d) governmental action, (e) subcontractor delay, or (f) any other cause or condition beyond CSC's reasonable control, whether of the class of causes enumerated or otherwise (any of the foregoing, a "**Force Majeure**"). In the event of a Force Majeure, CSC shall be excused from performance and may, at its option and without liability, cancel or suspend all or any portion of an order or this Agreement and/or extend any date upon which any performance is due.

**11. RETURNS.** Goods may not be returned without CSC's prior written approval. For authorized returns, CSC will issue a partial credit calculated in CSC's discretion. All transportation charges for returned Goods are the sole responsibility of Buyer and must be prepaid. Returned Goods are subject to CSC's inspection and will not be accepted for credit unless they are in "like new" condition as determined by CSC in its sole discretion.

**12. CONFIDENTIALITY.** Buyer acknowledges that it may obtain from CSC non-public information, in whatever form, that is of a confidential or proprietary nature, whether such information is marked as confidential or reasonably should be understood to be confidential given its nature and the circumstances of its disclosure ("**Confidential Information**"). Buyer shall not disclose CSC's Confidential Information without CSC's prior written consent, except that Buyer may disclose Confidential Information to its officers, directors, employees, agents, and contractors who have a need to know such Confidential Information for purposes of fulfilling its obligations under these Terms and who agree to be bound to the confidentiality and nondisclosure obligations hereof. Notwithstanding anything to the contrary herein, Buyer may disclose CSC's Confidential Information without breaching these Terms if compelled to do so by a valid order of a government agency or court of competent jurisdiction provided that, prior to disclosure, Buyer promptly notifies CSC of the terms of such order and cooperates with CSC in taking lawful steps to resist, narrow, or eliminate the need for the ordered disclosure. At any time upon CSC's request, Buyer will either return to CSC all Confidential Information received, including all copies or extracts thereof or based thereon, or destroy all such Confidential Information and provide written certification thereof to CSC. This Section 12 shall survive completion, expiration, or termination of the order or transaction to which these Terms apply.

**13. GENERAL CONDITIONS.** These Terms and the sale of Goods hereunder shall be governed by the laws of the State of Ohio, without giving effect to the conflict of laws provisions thereof. The failure or delay of CSC at any time to enforce any provision of these Terms, to exercise its rights under any provision hereof, or to require performance of any provision hereof, shall in no way be construed as a waiver of such provision nor in any way affect the right of CSC thereafter to enforce each and every provision hereof. No waiver of any term, condition, or provision of this Agreement will be binding unless made in writing and signed by the party making the waiver. The remedies herein reserved by CSC shall be cumulative and additional to any other or future remedies provided at law or in equity. If Buyer breaches any of these Terms or any other contract with CSC, CSC shall have the right to suspend performance or terminate the order to which these terms apply, without liability. This contract shall be binding upon CSC and Buyer and shall insure to the benefit of their successors and assigns. Buyer may not assign or transfer these Terms or any order to which these apply, in whole or in part, except upon the prior written consent of CSC. If any provision in these Terms is finally determined to be invalid or unenforceable, it shall be modified to the minimum extent required to bring it into conformity with applicable law or severed from these Terms, and all other terms shall remain in full force and effect. No agent, salesperson, or other party is authorized to bind CSC by any agreement, warranty, promise, or understanding not herein expressed.

**14. Pail Storage** - CSC is not responsible for any rust that occurs due to improper pail storage, which can include, but is not limited to, storage in semi-truck trailers, ocean shipping containers, outdoors, or poorly maintained warehouses.