

TSB METAL RECYCLING LLC

TERMS AND CONDITIONS OF PURCHASE

1. Agreement/Acceptance

1.1 As used in these Terms and Conditions of Purchase, (a) the collective terms and conditions described in Section 1.2 are referred to as the "Agreement", (b) TSB Metal Recycling LLC, the entity making the purchase as identified on the purchase order or separate written agreement, is referred to as "TSB MR", (c) the seller of the Products or Services is referred to as "Seller", (d) the products that are the subject of the purchase by TSB MR are referred to as the "Products", and (e) the services that are the subject of the purchase by TSB MR are referred to as the "Services".

1.2 The terms and conditions that apply to and govern the purchase of Products and Services by TSB MR from Seller are exclusively limited to (a) the terms and conditions contained in TSB MR's purchase order and any subsequent releases or a separate written agreement signed by an authorized representative of TSB MR, together with any documents incorporated in any of the foregoing, such as a statement of work, and (b) these Terms and Conditions of Purchase, whether or not they are specifically referenced in or incorporated by the forms exchanged by TSB MR and Seller or in the separate written agreement entered into between TSB MR and Seller. Any conflict between these Terms and Conditions of Purchase and the documents specified in (a) will be resolved in favor of the documents specified in (a).

1.3 TSB MR objects to terms and conditions that are additional to or different from those contained in the Agreement, and no additional or different term will be part of the Agreement unless expressly made so in a writing signed by an authorized representative of TSB MR. The preceding sentence excludes, among other things, any additional or different terms and conditions of Seller appearing on or referenced in Seller's quotation, acknowledgement, invoice or other similar document, Seller's standard terms and conditions of sale or Seller's web site or customer e-commerce site will not apply.

1.4 Seller will be deemed to have accepted the Agreement if Seller (a) acknowledges TSB MR's purchase order, assents to the Agreement in writing or clicks an "accept" or similar button on an electronic site, (b) commences work on, delivers or performs any of the Products or Services, (c) accepts any portion of the payment for the Products or Services, or (d) takes any other action evidencing Seller's acceptance of the benefits of any part of the Agreement.

1.5 If the Agreement relates to a prime contract with or a subcontract for the U.S. government, Seller shall comply with the flowdown clauses and other provisions set forth in the Supplement for Government Contracting, and any other provision in the prime contract or subcontract that is required to be flowed down to Seller, each of which forms part of the Agreement.

1.6 No modification of the Agreement or waiver of any of its terms will be binding on TSB MR unless clearly expressed in a writing that both (a) states that it is a modification or waiver of the Agreement, and (b) is signed by an authorized representative of TSB MR. Any purported modification or waiver by oral agreement, course of performance or usage of trade is invalid and ineffective.

2. Delivery

2.1 Delivery terms are as stated in the purchase order or separate written agreement, or, if none are so stated, Delivery Duty Paid (DDP) the designated TSB MR facility. Delivery terms are governed by Incoterms 2000.

2.2 Seller shall deliver all Products and Services on the dates specified by TSB MR, and meet all of TSB MR's required service levels. Time is of the essence for purposes of Seller's delivery of Products and Services to TSB MR. TSB MR may reject any Products or Services not delivered on time. Seller may not withhold delivery for any reason without the prior written consent of TSB MR.

2.3 Seller shall deliver all Products and Services in the quantities specified by TSB MR in a purchase order. Forecast quantities are estimates for reference only and do not constitute binding commitments by TSB MR to purchase. Quantities delivered in excess of ordered quantities, or delivered earlier than the date specified by TSB MR, may be returned at Seller's risk and expense.

2.4 Risk of loss and damage to the Products remains with Seller until the Products have been delivered to TSB MR in accordance with the delivery terms. Notwithstanding the preceding sentence, if the Products are received by TSB MR on consignment, (a) risk of loss and damage to the Products, and responsibility for insuring the Products against loss and damage, remains with Seller until the time at which TSB MR either resells the Products or uses the Products in production (referred to as the "end of the consignment period"), (b) title to the Products remains with Seller, and TSB MR has an absolute right to return the Products, up to the end of the consignment period, and (c) title to the Products passes to TSB MR at the end of the consignment period.

2.5 If Seller has reason to believe that a delivery of Products or the performance of Services may not be made within the time required by the Agreement, or if an actual delay has occurred, Seller shall immediately send written notice to TSB MR, stating the cause and expected duration of the delay. During the period of any delay, Seller shall at its sole cost and expense take all steps as are necessary or desirable to mitigate the effects of the delay on TSB MR and minimize disruption of supply to TSB MR, including treating TSB MR no less favorably than any of its other customers if Seller is required to allocate goods or resources among its customers. If there is an anticipated or actual delay, or a threat by Seller to suspend delivery for any reason, TSB MR may, in addition to all other remedies available to it, take one or a combination of the following actions: (a) direct Seller to ship, at Seller's sole cost and expense, Products using an expedited method of transportation such as express air freight, (b) acquire substitute Products or Services from other sources, in which case Seller shall reimburse TSB MR for any additional costs and expenses, including incidental costs of cover, and (c) cancel or reduce the quantities under the Agreement. TSB MR will have no liability to Seller with respect to the cancelled or reduced quantities.

3. Packaging/Shipping

3.1 Seller shall properly pack, mark, ship and route the Products in accordance with the requirements of TSB MR or the carriers and in accordance with all applicable laws and regulations, or if there are no stated requirements, in accordance with best commercial practices designed to prevent loss or damage due to weather, transportation and other causes.

3.2 With each shipment, Seller shall include packing slips identifying TSB MR's complete purchase order number, shipment date, an itemized list of contents using the classification identification of the Products required by TSB MR or the carrier, and such other items as TSB MR may require. The markings on each package and shipping document must be such that TSB MR can easily identify the

Products. TSB MR's count or weight will be final and conclusive for any shipment. Seller is responsible for all demurrage charges and other expenses incurred as a result of Seller's failure to promptly send TSB MR the notice of shipment on the shipping date.

4. Inspection and Testing

4.1 TSB MR may but is not required to inspect (a) the Products upon arrival at TSB MR's facility or TSB MR's customer's facility, and (b) the Services upon completion.

4.2 If TSB MR rejects any Products or Services as non-conforming, TSB MR may take one or a combination of the following actions: (a) reduce the quantity of Product and Services ordered under the Agreement by the quantity of non-conforming Products and Services, and have Seller immediately issue a refund or credit to TSB MR for the purchase price associated with the reduced quantity (or, if Seller does not do so, to debit Seller for the same amount), (b) require Seller to repair, replace or re-perform the non-conforming Products and Services, and (c) accept the non-conforming Products or Services and have Seller immediately reduce the purchase price by or issue a credit or refund in an amount TSB MR reasonably determines to be the amount by which the value of the non-conforming Products or Services has been diminished (or, if Seller does not do so, to debit Seller for the same amount). Seller shall promptly pay or reimburse TSB MR for all costs incurred to inspect, sort, test, rework, replace, return, store or dispose of non-conforming Products.

4.3 TSB MR will hold non-conforming Products for 48 hours (or a shorter period if reasonable under the circumstances) from TSB MR's notice of rejection. If Seller does not inform TSB MR in writing of the manner in which Seller desires that TSB MR dispose of the non-conforming Products within that time, TSB MR may dispose of the non-conforming Products in any manner it sees fit without liability to Seller, including arranging for shipment of the non-conforming Products back to Seller at Seller's expense. Seller shall bear all risk of loss and damage to non-conforming Products.

4.4 None of the following will constitute acceptance by TSB MR of non-conforming Products or Services, limit or impair TSB MR's right to exercise any of its rights and remedies under the Agreement or applicable law, or relieve Seller of its obligations (including warranty obligations) under the Agreement: (a) TSB MR's inspection of or failure to inspect the Products or Services, (b) TSB MR's failure to reject non-conforming Products or Services following receipt, and (c) TSB MR's payment for or use of the Products or Services.

5. Prices and Payment

5.1 Prices for the Products and Services are as set forth in TSB MR's purchase order or other document issued or signed by an authorized representative of TSB MR. The price as so determined is the sole amount payable by TSB MR to Seller or any third party for the purchase of the Products or Services, and Seller shall be solely responsible for, among other things, (a) costs of raw materials, supplies or manufacture, (b) duties or similar charges, (c) insurance premiums, (d) salaries or benefits of employees, or (e) handling, packaging, shipping or storage costs. No increases or surcharges to pricing will be effective without TSB MR's prior written consent.

5.2 The price includes all applicable federal, state, provincial and local taxes other than sales or value added taxes. Seller shall issue separate invoices for any sales or value added taxes that Seller is required by law to collect from TSB MR, in a form sufficient to permit TSB MR to make appropriate deductions for income tax purposes. Seller shall provide TSB MR with all information and documentation required under local law to enable TSB MR to recover any sales, value added or similar turnover taxes.

5.3 Seller may not send invoices earlier than the date of receipt at TSB MR's facility of Products or completion of Services or, in the case of consignment, the end of the consignment period as defined in Section 2.4. All invoices must include TSB MR's complete purchase order number and have all necessary or required bills of lading and other shipping receipts and documents attached.

5.4 Payment terms in respect of undisputed invoices are as stated in the purchase order or separate written agreement, or, if none are so stated, net 60 days. Any payment or discount period will be calculated from the date of receipt by TSB MR of an accurate and properly prepared invoice (including all required supporting documents).

5.5 TSB MR may recover, recoup and set off against amounts that are or will become owing to Seller from TSB MR, any debts or obligations of Seller to TSB MR that TSB MR has a commercially reasonable basis for believing exist. In this Section 5.5, "Seller" means Seller or its affiliate, and "TSB MR" means TSB MR or its affiliate.

6. Changes

6.1 TSB MR may require Seller to implement changes to the specifications, design, quantities and delivery schedules for the Products, the description, specifications, amount and scheduling of the Services, and other requirements under the Agreement. Seller shall promptly implement such changes. Seller shall make its claim, if any, for equitable adjustment of the price or delivery schedules resulting from such changes in writing to TSB MR within 5 days after receiving TSB MR's instructions to implement the changes, failing which Seller will be deemed to have waived, and TSB MR will have no liability for, any such claims. TSB MR will equitably determine any adjustment in price or delivery schedules resulting from such changes. To assist in TSB MR's determination of any equitable adjustment in price or delivery schedules, Seller shall, upon TSB MR's request, promptly provide additional information to TSB MR, including documentation of changes in Seller's cost of production and the time to implement such changes. TSB MR and Seller will work to resolve any disagreement over the adjustment, but while the resolution process is continuing and thereafter, Seller shall continue performing under the Agreement, including the manufacture and delivery of Products, the performance of Services and the prompt implementation of the required changes. No price increase or extension of time for delivery will be binding on TSB MR unless evidenced by a written purchase order change notice issued by TSB MR.

7. Property of TSB MR

7.1 "TSB MR Property" includes the following:

(a) any tooling, gauging, equipment, material, patterns or other property that TSB MR directly or indirectly furnishes to or purchases from Seller, or for which TSB MR directly or indirectly gives reimbursement to Seller ("TSB MR Tooling"); and

(b) any raw materials, components, supplies or other materials, directly or indirectly provided by TSB MR to Seller (other than as an actual invoiced sale from TSB MR to Seller) for the purposes of Seller manufacturing the Products or performing the Services, including any scrap generated from operations ("TSB MR Material").

7.2 TSB MR Property is and will remain the property of TSB MR, and will be held by Seller on a bailment basis. Seller waives any lien or other rights that Seller might otherwise have with respect to any item of TSB MR Property, for work performed on or utilizing such property or otherwise.

7.3 While TSB MR Property is in Seller's possession or control (including while in the possession of Seller's agents and subcontractors), Seller bears the risk of loss, theft, damage and destruction to TSB MR Property and will be responsible for the cost of repairing or replacing any TSB MR Property that is lost, stolen, damaged or destroyed. Seller shall maintain insurance sufficient to cover such risks. Without limiting the generality of the foregoing, Seller shall replace, by purchasing from TSB MR at TSB MR's then current prices, any TSB MR Material lost or damaged through spoilage, breakage, defective workmanship of Seller, or any other reason.

7.4 Seller shall use the TSB MR Property only for the purpose of fulfilling its obligations under the Agreement, and in compliance with TSB MR's and the manufacturer's instructions. Seller shall not sell or offer to sell to any third party any products made with TSB MR Property, except with TSB MR's prior written consent.

7.5 Seller shall regularly inspect the TSB MR Property and maintain it in good condition, working order and repair, at no additional cost to TSB MR, and conspicuously mark the TSB MR Property as being the property of TSB MR. Seller shall not (a) commingle the TSB MR Property with the property of Seller or of any third person, (b) move the TSB MR Property from Seller's facility to which the property was originally delivered, or provide or furnish the TSB MR Property to any third party, (c) sell, lend, rent, encumber, pledge, lease, transfer or otherwise dispose of the TSB MR Property, (d) assert or allow any person claiming an interest through Seller to assert any lien (including a mechanics' or suppliers' lien) or claim of ownership in the TSB MR Property, or (e) regard the TSB MR Property or allow the TSB MR Property to be regarded as real property or fixtures.

7.6 TSB MR may make public filings (including UCC-1 filings) to provide notice of TSB MR's ownership of the TSB MR Property, and Seller shall cooperate with TSB MR in connection with such filings.

7.7 TSB MR makes no express or implied warranty or representation as to the fitness (generally or for any particular purpose), condition, merchantability, design or operation of any item of TSB MR Property. TSB MR will not be liable to Seller for any loss, damage, injury or expense of any kind or nature caused directly or indirectly by the TSB MR Property or use of the TSB MR Property.

7.8 Upon TSB MR's request, Seller shall immediately release or deliver the TSB MR Property to TSB MR at no charge to TSB MR, failing which TSB MR may enter Seller's premises upon reasonable notice and take possession of the TSB MR Property.

8. Quality

8.1 Seller shall promote continuous quality improvement and shall comply with TSB MR's required quality control standards for the manufacturing, packaging and shipping processes for the Products and the provision of the Services, including the procedures contained in TSB MR's Supplier Quality Manual (as amended from time to time), and Seller shall periodically check the Supplier Quality Manual for changes. The Supplier Quality Manual forms part of the Agreement and is available electronically at <https://tsvp.timkensteel.com/PSCdocs/TIMKENSTEEL%20SUPPLIER%20QUALITY%20MANUAL.pdf>. All references to TimkenSteel in the Supplier Quality Manual shall be read as references to TSB MR.

8.2 In performing its obligations hereunder, Seller may not, without TSB MR's written consent, (a) change the method or place of manufacture of any Products or the provision of any Services, (b) substitute material from any other source for TSB MR Material or alter the physical or chemical properties of TSB MR Material, except in accordance with applicable TSB MR specifications, or (c) otherwise change the materials, processes or sub-suppliers used in the manufacture of any Products or the provision of any Services. Any requested change must follow a process to determine acceptability, detailed on TimkenSteel Vendor Portal (TSVP).

8.3 Seller shall not subcontract its obligations under the Agreement, and any attempted subcontract will be void, unless TSB MR has given its prior written consent to such subcontract. In any event, Seller shall remain liable for the performance of all subcontracted obligations.

8.4 While performing any Services at TSB MR's facilities, Seller shall comply with TSB MR's rules and policies, including any environmental, health and safety rules and policies.

9. Right to Inspect and Audit

9.1 Seller will permit TSB MR and its representatives, consultants and customers to enter Seller's facilities at reasonable times to inspect the facilities, the TSB MR Property and Seller's records with respect thereto, and to inspect and test any goods, inventories, work-in-process, materials, machinery, equipment, tooling, fixtures, gauges and other items and processes related to Seller's performance of the Agreement. Seller shall cooperate in any such inspection. No such inspection will constitute acceptance by TSB MR of any work-in-process or finished goods.

9.2 Seller will permit TSB MR and its representatives and consultants to enter Seller's facilities at reasonable times to audit and review all relevant books, records, income statements, balance sheets, cash flow statements, payroll data, receipts and other related supporting data, including Seller's administrative and accounting policies, guidelines, practices and procedures, in order to (a) assess Seller's ongoing ability to perform its obligations under the Agreement, and (b) substantiate any charges and other matters under the Agreement. Seller shall maintain and preserve all such documents for a period of 3 years following final payment under the Agreement, and shall cooperate in any such audit or review.

9.3 Such inspections, audits and reviews will be conducted at TSB MR's expense, unless TSB MR discovers material non-compliance by Seller, in which case Seller shall, in addition to fully correcting the non-compliance, reimburse TSB MR for the costs and expenses incurred in connection with that review and the next.

10. Warranties

10.1 Seller represents and warrants that the Products and all of their components will (a) conform to the most updated version of drawings provided by or approved by TSB MR, (b) meet and perform in accordance with TSB MR specifications and requirements, (c) be of new manufacture and of the highest quality, (d) be free from defects in design, workmanship and material, (e) be of merchantable quality and fit for their intended purposes, and (f) comply with all applicable laws, regulations and standards of every jurisdiction into which they may be sold.

10.2 Seller represents and warrants that the Services will (a) conform strictly to TSB MR's specifications and requirements, (b) be of the highest quality, and (c) be performed to the highest professional and workmanlike standards and in compliance with all applicable laws, rules, regulations and standards.

10.3 In respect of software that is incorporated in or forms a part of the Products or Services, Seller represents and warrants that such software will not contain any software intentionally designed to impair, disrupt, disable, harm or impede operation.

10.4 Upon a breach of any warranty in the Agreement, Seller shall promptly, at its sole cost and expense, (a) repair or remedy the defect or other failure, replace the affected Products, re-perform the affected services or, at TSB MR's option, provide a refund to TSB MR for any affected Products and Services, and (b) reimburse and otherwise compensate TSB MR for all of its direct, indirect, special, incidental, punitive and consequential damages, including recall costs, line shut-down costs and lost or anticipated profits and revenues.

10.5 Seller's representations and warranties and all associated remedies will benefit and be enforceable by TSB MR's successors, assigns and customers and by the users of the Products or Services.

11. Intellectual Property

11.1 Seller represents and warrants that the Products and Services, and the manufacture, sale, use and provision of the Products and Services do not and will not infringe any trade secrets, patents, trademarks, copyright, design, other intellectual property right or any other right of any third party. Seller further represents and warrants that it has not received any notice from a third party that any of the Products or Services or their manufacture, sale, use or provision anywhere in the world violates or infringes or would violate or infringe the trade secrets or intellectual property or other rights of another. Seller is responsible for the payment of any fees, royalties and other charges necessary to maintain the rights required to fulfill these warranties.

11.2 If a third party enjoins or interferes with TSB MR's use of any Products or Services, then in addition to Seller's other obligations, Seller shall (a) obtain any licenses necessary to permit TSB MR to continue to use or receive the Products or Services, or (b) replace or modify the Products or Services as necessary to permit TSB MR to continue to use or receive the Products or Services.

11.3 Nothing in the Agreement is intended or may be construed as a grant or assignment of any license or other right to Seller of any of TSB MR's (or any of its affiliates') trade secrets or intellectual property or other rights.

11.4 All deliverables and works of authorship created in the course of performing the Agreement constitute works made for hire and will be the sole and exclusive property of TSB MR. To the extent that such works do not qualify under applicable law as works made for hire, Seller hereby assigns and agrees to assign to TSB MR all of its worldwide right and title to, and interest in, any such deliverables and intellectual property rights in such works of authorship. If such assignment is not possible under any applicable law, Seller hereby grants TSB MR a worldwide, irrevocable, perpetual, royalty-free, transferable, sub-licensable license with respect to such deliverables or works of authorship. Seller further grants TSB MR a worldwide, irrevocable, perpetual, royalty-free, transferable, sub-licensable license with respect to any intellectual property rights in the deliverables which arose outside the scope of the Agreement but are necessary for TSB MR to exercise its rights in the deliverables as reasonably contemplated by the Agreement.

11.5 All improvements and developments related to the Products or Services arising out of the efforts of TSB MR or both TSB MR and Seller under or in connection with the performance of the Agreement will be owned exclusively by TSB MR, and Seller shall reasonably cooperate with TSB MR in confirming that result.

12. Indemnification

12.1 Seller shall indemnify, defend and hold harmless TSB MR and its affiliates and their respective directors, officers, employees, agents, representatives and customers against all claims, judgments, decrees, liability, damages, losses, costs and expenses (including actual attorneys' and consultants' fees) that arise out of or relate to (a) any act or omission of Seller or its employees, subcontractors, agents or representatives, (b) the performance of any service or work by Seller or its employees, subcontractors, agents or representatives on TSB MR's or TSB MR's customers' premises, (c) the use of the property of TSB MR or TSB MR's customer, (d) any breach by Seller of its representations, warranties or obligations under this Agreement, (e) any alleged or actual infringement of the trade secrets or intellectual property or other rights of third parties, (f) Seller-furnished equipment, materials, Products or Services, or (g) any product information, operating instructions, safety information or other information or materials relating to the Products which were created by Seller or provided by Seller to TSB MR or to purchasers or users of the Products. This Section applies to, among other things, claims for injury to or death of persons or damage to any property, and regardless of whether claims arise under tort, negligence, contract, warranty, strict liability or any other legal theory.

12.2 With respect to claims of injury to persons (including death) by Seller's employees, Seller expressly waives Seller's immunity as a complying employer under workers' compensation law for acts of negligence, whether passive or active, but only to the extent that such immunity would bar or affect recovery under or enforcement of Seller's indemnification obligations. With respect to the State of Ohio, this waiver applies to Section 35 Article II of the Ohio Constitution and Ohio Revised Code Section 4123.74.

13. Insurance

13.1 Seller shall secure and maintain in force workers' compensation insurance for all employees engaged in fulfilling Seller's obligations under this Agreement, employer's liability insurance, comprehensive general liability insurance (including public liability, bodily injury, property damage and contractual liability coverage), product and completed operations liability insurance, commercial automobile liability insurance, errors and omissions insurance and any other insurance required by law, reasonably requested by TSB MR or customary for a supplier in Seller's position. The insurance coverage required by this Section must be with carriers and at minimum limits reasonably satisfactory to TSB MR. The policies must include a vendor's endorsement, if applicable, and must name TSB MR as an additional named insured. Upon TSB MR's request, Seller shall furnish certificates of insurance issued by Seller's insurance carriers evidencing compliance with these requirements, specifying the types of coverage, the policy numbers and the expiration dates, and including a statement that the policies will not be cancelled or altered without TSB MR receiving at least 30 days' prior notice. If Seller does not maintain the required insurance, TSB MR may, at its option, procure the insurance for Seller and charge Seller for the costs. Seller shall also ensure that any permitted assignee or subcontractor maintains insurance in the same manner as required for Seller. The furnishing of certificates of insurance and purchase of insurance do not limit or release Seller from Seller's obligations and liabilities under the Agreement.

14. Confidentiality

14.1 "Confidential Information" means the confidential information of TSB MR and its affiliates concerning the Agreement, the Products, the Services or the business of TSB MR and its affiliates, that Seller comes to know through disclosure by TSB MR or otherwise. Confidential information includes data, designs, drawings, specifications, know-how, trade secrets, the terms of any purchase order and other confidential technical or business information.

14.2 Seller (a) shall not disclose Confidential Information to any third party, except to those of its employees who have a need to know in order for Seller to fulfill its obligations under the Agreement and who have undertaken obligations of confidentiality and non-use enforceable by TSB MR and no less protective than those binding on Seller under the Agreement, (b) shall protect the Confidential Information by using the same degree of care that it uses to protect its own confidential information of a similar nature (but not less than reasonable care), and (c) shall not use the Confidential Information for any purpose other than to fulfill its obligations under this Agreement.

14.3 If any work is subcontracted in accordance with the Agreement, Seller shall require a similar confidentiality agreement from such subcontractors, but shall remain responsible for any breach by such subcontractors.

14.4 Seller shall return or destroy and certify destruction of all Confidential Information at TSB MR's request.

15. Termination for Convenience by TSB MR

15.1 TSB MR may immediately terminate, in whole or in part, the Agreement or any purchase order issued under the Agreement, at any time for its convenience, by notifying Seller in writing. If TSB MR terminates pursuant to this Section, TSB MR's sole obligation will be to reimburse Seller for (a) those Products or Services actually shipped or performed and accepted by TSB MR up to the date of termination, and (b) actual costs incurred by Seller up to the date of termination (i) for unfinished goods which are useable, in merchantable condition and specifically manufactured for TSB MR and not standard products of Seller, and (ii) in preparation for performing the Services. TSB MR will reimburse the costs in (b) only to the extent such costs are reasonable in amount and are properly allocable or apportionable under generally accepted accounting principles to the terminated portion of the Agreement, and after first subtracting the reasonable value or cost (whichever is higher) of any goods or materials used or sold by Seller with TSB MR's written consent. TSB MR's obligation to reimburse Seller under this Section will not exceed the purchase price in respect of the order (or portion thereof) terminated. All claims by Seller for reimbursement under this Section must be submitted in writing to TSB MR within 30 days following the order termination date, with sufficient supporting data to permit an audit by TSB MR. Failure to file a claim within such 30 day period will constitute a waiver by Seller of all claims. Seller shall thereafter promptly furnish any supplemental and supporting information TSB MR requests.

15.2 TSB MR will not be liable for, and Seller agrees not to assert, any of the following: (a) consequential, incidental, indirect, special and punitive damages; (b) recall costs, line shut-down costs, lost or anticipated profits or revenue or cost of capital; (c) finished Products, work-in-process or materials which Seller fabricates or procures in amounts that exceed those authorized by TSB MR in purchase orders or releases (but excluding forecast quantities); (d) goods or materials that are in Seller's standard stock or that are readily marketable; (e) claims of Seller's suppliers or other third parties for damages or penalties, and (f) all other losses, damages, liabilities, costs and expenses not expressly set forth in Section 15.1.

16. Termination for Cause by TSB MR

16.1 TSB MR may immediately terminate, in whole or in part, the Agreement or any purchase order issued under the Agreement, by notifying Seller in writing, upon any of the following events: (a) Seller repudiates, breaches or threatens to breach any of the terms of the Agreement, (b) Seller sells or offers to sell a material portion of its assets, (c) there is a change in the control of Seller, (d) Seller becomes the subject of statutory or court-supervised proceedings in bankruptcy, receivership, liquidation, dissolution, reorganization or other similar proceedings, or (e) Seller has all or a substantial portion of its assets made subject to attachment by creditors or confiscation by government authorities. Seller shall reimburse TSB MR for all costs and damages incurred by TSB MR in connection with any of the foregoing whether or not the Agreement is terminated, as well as in connection with any termination, including all attorney and other professional fees.

16.2 TSB MR may immediately terminate, in whole or in part, the Agreement or any purchase order issued under the Agreement, by notifying Seller in writing, if it is affected by customer cancellations or other events beyond its reasonable control.

16.3 A termination pursuant to Section 16.1 or 16.2 will be without liability or obligation to TSB MR, including any obligation to reimburse Seller for any materials or work-in-process.

16.4 In the event of a termination pursuant to Section 16.1, Seller shall permit TSB MR, at TSB MR's option, to take possession of and title to all or part of Seller's tooling, jigs, dies, gauges, molds, patterns and other equipment that are specially designed or outfitted for the supply of Products or Services. If TSB MR exercises such option, TSB MR shall, within 60 days following delivery of such equipment to TSB MR, pay to Seller the lower of (i) the net book value (i.e. actual cost less amortization) or (ii) the then current fair market value of such equipment.

17. Termination for Cause by Seller

17.1 Seller shall not terminate the Agreement unless TSB MR is in material breach of the Agreement, Seller has notified TSB MR in writing of such breach and TSB MR has not cured such breach within a reasonable time (but in any event not less than 60 days) after receiving such written notification.

18. Compliance with Laws

18.1 In the performance of its obligations hereunder, Seller shall comply with all applicable laws, statutes, regulations and ordinances, including the Foreign Corrupt Practices Act and the Fair Labor Standards Act. All applicable contract clauses required by any applicable law, statute, regulation or ordinance (including those set forth in 41 C.F.R. Part 60-1.4(a) (women and minorities), 41 C.F.R. Part 60-250.5(a) (covered veterans) and 41 C.F.R. Part 60-741.5(a) (individuals with disabilities)) are incorporated herein by reference and made a part hereof. No forced or prison labor, or labor in violation of minimum working age law in the country of performance of obligations, may be used in connection with the Agreement.

18.2 At TSB MR's request, Seller shall promptly furnish information relating to the hazardous, toxic or other content or nature of the Products or Services. Prior to, and together with, the shipment of Products, Seller shall furnish to TSB MR and all carriers sufficient written warning and notice (including appropriate labels on the Products and packaging) of any hazardous material that is an ingredient or a part of any of the Products, together with all special handling instructions, safety measures and precautions necessary to comply with the law or to prevent bodily injury or property damage.

18.3 Where required by TSB MR or by applicable laws or regulations, Seller shall furnish Material Safety Data Sheets (MSDS) on the materials used in manufacturing the Products or the provision of the Services. MSDS are to be sent to the plant environmental/safety coordinator at the TSB MR facility to which the Products or Services are delivered.

19. International Trade and Customs

19.1 TSB MR owns all transferable credits or benefits associated with or arising from the Products, including trade credits, export credits and rights to the refund of duties, taxes and fees.

19.2 Except with prior written permission from TSB MR's Global Trade Department ("GTD"), Seller shall not (a) file, or cause or permit any third party to file, for duty drawback with customs authorities in respect of the Products or any component thereof, or (b) show, or cause or permit any third party to show, TSB MR's name as "importer of record" on any customs declaration.

19.3 Seller shall provide TSB MR, in a timely manner, with accurate information, records and documentation relating to the Products or their import or export necessary for TSB MR to fulfill customs- and trade-related obligations, receive customs- and trade-related benefits, and make such customs- and trade-related filings as TSB MR may deem necessary or desirable (such as duty drawback). For each Product to be provided to TSB MR, prior to shipment, Seller shall at a minimum complete and sign the Trade Data Form available at <http://tsvp.timkensteel.com/supplierinfo.asp> or otherwise provided to Seller, and send the completed form to TMSTCustoms@timkensteel.com or as otherwise instructed by TSB MR.

19.4 To the extent the Products are to be imported into the U.S, Seller shall comply with all applicable recommendations or requirements of the U.S. Bureau of Customs and Border Protection's Customs-Trade Partnership Against Terrorism ("C-TPAT") initiative. Where Seller does not exercise control of the manufacturing or transportation of the Products destined for delivery to TSB MR or its customers in the U.S, Seller shall make C-TPAT security recommendations to its suppliers and transportation providers and condition its relationship with those entities on their implementation of such recommendations.

19.5 No later than the time of delivery, Seller shall provide TSB MR with the applicable Export Control Classification Numbers ("ECCNs") of the Products and their components and the Services.

20. Seller Code of Conduct

20.1 TSB MR expects Seller to adopt and conform its conduct to a statement or code of ethical business conduct suitable to its business, and if this Agreement relates to a prime contract with or a subcontract for the U.S. government, Seller represents that it has adopted and conforms to such a statement or code. At a minimum, the statement or code must establish that Seller shall comply with all pertinent laws and regulations, and should address Seller's policies regarding workplace health and safety, labor standards as required by local law or regulation, protection of the environment and resources, product safety and quality and anti-corruption.

21. Other Rights and Remedies

21.1 Seller acknowledges that breach by Seller of the Agreement could cause irreparable harm to TSB MR for which monetary damages may be difficult to ascertain or may constitute any inadequate remedy. Seller, therefore, agrees that TSB MR shall be entitled to sue for specific performance or seek injunctive relief for any violation or threatened violation of the Agreement by Seller without the filing or posting of any bond or surety. TSB MR may seek a temporary and/or permanent injunction (or other similar relief in accordance with applicable law) from any court or other authority having competent jurisdiction, and such courts may apply local laws in determining whether to grant the injunction.

21.2 TSB MR's rights and remedies set forth in the Agreement are in addition to any other legal or equitable right or remedy available to TSB MR.

22. Miscellaneous

22.1 The words "such as", "include" and "including" are to be construed as if they were followed by "without limitation", unless the accompanying text or the context clearly requires otherwise.

22.2 Seller may not assign its rights or obligations under the Agreement, and any attempted assignment will be void, unless TSB MR has given its prior written consent to such assignment.

22.3 If any term of the Agreement is declared unenforceable, the remaining terms will remain in effect, and the unenforceable term will be replaced by a term that is valid and enforceable and that comes closest to expressing the intention of the unenforceable term.

22.4 Any terms which, by their nature, extend beyond the expiration or termination of the Agreement will survive the expiration or termination of the Agreement, including Sections 7, 10, 11, 12, 13, 14 and 19.

22.5 The Agreement is governed by and interpreted in accordance with the laws of the State of Ohio, USA, without reference to its conflict of laws rules. Both parties consent to the jurisdiction of the state and federal courts having authority over the territory of Stark County, Ohio for the resolution of any dispute arising under the Agreement; that consent will be to the exclusive jurisdiction of such courts, except if Seller is from or Seller's assets are located in a jurisdiction that does not recognize judgments issued by such courts for enforcement, in which case TSB MR may choose to bring suit in other courts. The United Nations Convention on Contracts for the International Sale of Goods will not apply to the Agreement.

22.6 Each party hereby waives to the fullest extent permitted by applicable law any right it may have to a trial by jury in respect of any litigation arising in connection with the Agreement.

22.7 The Agreement does not create an agency, partnership or other relationship other than that of independent contracting parties. Seller has no authority to bind or commit TSB MR.

22.8 A reference in this Agreement to the consent or approval of TSB MR is a reference to the consent or approval of a representative of TSB MR duly authorized by TSB MR to give such consent or approval.

22.9 TSB MR may provide translated versions of the terms and conditions for informational purposes only. The original English language version will apply in the event of any disagreement over the meaning or construction of any provisions.

22.10 Seller shall not in any manner advertise or publish that Seller has contracted to furnish TSB MR the Products or Services, or use any trademarks or trade names of TSB MR in Seller's goods, advertising or promotional materials except with TSB MR's prior written consent.