

**STANDARD TERMS AND CONDITIONS OF SALE
FOR STRUCTURAL AND RAIL DIVISION**

1. **CONTROLLING TERMS AND CONDITIONS.** These Standard Terms and Conditions of Sale constitute an integral part of this contract, and Steel Dynamics Sales North America, Inc. ("Seller") agrees to sell to Buyer only on the express condition that Buyer assents to all of the terms and conditions set forth both on the face of this contract and in these Standard Terms and Conditions of Sale. Terms or conditions contained in a purchase order which in any manner purport to alter, modify, change, suspend or add to any term or condition contained in these Standard Terms and Conditions of Sale shall not be binding upon Seller and shall be of no force or effect. Seller's shipments hereunder shall not be deemed an acceptance of any provision of Buyer's offer, expression of acceptance, confirmation, or any other communication that is different from, inconsistent with, or in addition to the terms hereof. All prior proposals, negotiations, representations, and agreements, if any, regarding this transaction are superseded and merged herein, unless subject to or supplemented by other terms and conditions set forth in a separate written agreement intended to govern the relationship between the parties (in which case the terms and conditions thereof shall be deemed to govern to the extent of any inconsistency herewith).

2. **PRICES.** The purchase price of the Goods shall be as stated on the face hereof; provided however, that if Seller announces a general price increase, the purchase price shall be revised to include such price increase. Seller reserves the right to adjust the purchase price by adding a surcharge based on increases in the cost of raw materials. If transportation charges are included in the prices, any changes in transportation charges shall be to Buyer's account. Unless otherwise stated herein, Seller shall not be responsible for switching, handling, storage, demurrage, or any other transportation or peripheral charges. All taxes of any kind levied by any federal, state, municipal or other governmental authority which Seller is required to collect or pay with respect to the production, sale or shipment of Goods sold hereunder shall be the responsibility of Buyer. Buyer agrees to pay all such taxes and further agrees to reimburse Seller for any such payments made by Seller.

3. **TERMS OF PAYMENT.** Subject to Seller's credit approval, as described in paragraph 4, and unless Buyer is notified to the contrary by Seller's Credit Department, Buyer shall pay the net invoice amount in full within 30 days from date of invoice, less 1/2% if paid in full within 10 days. Buyer agrees to pay interest on all past due amounts at the lower of the maximum allowable rate according to applicable law or 1.0% per month (12.0% annually). In the Event Buyer fails to pay the purchase price or any portion thereof, or any other amounts due hereunder, when due, Seller shall have the right to employ an attorney to collect the balance due and Buyer agrees to pay all collection costs incurred by Seller, including, without limitation, its reasonable attorneys fees.

4. **CREDIT APPROVAL.** Performance of work and shipment will at all times be subject to approval by Seller's Credit Department. Seller may at any time condition its performance upon receipt of advanced payment, acceptable security, or agreement to other reasonable credit-related terms and conditions. Buyer represents that by placing its order it is not insolvent as that term is defined in §1-201(23) of the Uniform Commercial Code, and, should it become insolvent before delivery of the Goods, it will notify Seller. Failure to notify Seller shall be deemed to constitute a written representation of Buyer's solvency as of the date of shipment. Seller may, at its option, suspend performance if in its opinion the credit of Buyer becomes impaired until such time as Seller has received full payment or satisfactory security for deliveries made and is satisfied as to Buyer's credit for future deliveries. If Buyer fails to make payment in full or refuses to provide satisfactory security, Seller shall have the right to enforce payment of the full purchase price for products already delivered or in process, and may either cancel the unfinished portion of the order or may proceed with the order, in which latter case, Seller shall be entitled to such extension of time for performance as is necessitated by the suspension.

5. **CANCELLATION; MODIFICATION.** Buyer may not cancel, modify or otherwise change orders after Goods are in process without Seller's consent. Any such cancellation, modification or alteration shall be subject to such conditions as may be mutually acceptable to Buyer and Seller, which conditions shall include, at a minimum, protection of Seller against loss. A minimum aggregate order is 20 tons.

6. **SHIPMENT.** Terms are F.O.B. Seller's place of business at Columbia City, Indiana and Buyer shall pay all shipping costs. Buyer may pick up the Goods at Seller's Columbia City facility provided it does so within 10 days of the date it is notified that the Goods are available for pickup. Seller reserves the right to ship without further notification at any time after such 10-day period. Title and risk of loss passes to Buyer after Seller delivers the Goods to the carrier (or the Seller in the case of a pickup) at Seller's Columbia City facility. All claims for damages incurred during shipment shall be made by Buyer directly to the carrier. Shipment shall be made freight collect, unless otherwise stated herein (in which case shipment shall be made freight prepaid and a freight charge shall be included in Seller's invoice).

7. **DELIVERY.** Shipment schedules are approximate and are based upon market and production conditions at the time of Seller's acceptance of Buyer's order. Seller shall in good faith attempt to ship by the date specified. Buyer agrees, however, that Seller shall not be liable for any delay in or failure to make one or more deliveries hereunder if such delay or failure is due to acts of God, war, riot, embargoes, acts of civil or military authorities, fires, floods, accidents, quarantine, restrictions, mill conditions, acts of Buyer, strikes or other labor disturbances, delays in transportation, shortage of cars, fuel, parts, labor or materials, repairs to equipment or any other circumstance or cause beyond Seller's control. Acceptance of Goods upon delivery shall constitute a waiver by Buyer of any claim for damages on account of delays in delivery or performance.

8. **WARRANTY.** Subject to the provisions of paragraph 10, Seller warrants that the Goods delivered hereunder will conform to the specifications or grade described herein. **SELLER MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

9. **CONFORMITY OF GOODS.** Buyer shall promptly inspect the Goods upon delivery. If, upon receipt by Buyer, Goods shall appear not to conform to the contract, Buyer shall immediately notify Seller of such condition and afford Seller a reasonable opportunity to inspect the Goods. No Goods shall be returned without Seller's prior consent. Buyer's exclusive remedy against Seller for breach of warranty in respect of any non-conformity of Goods shall be limited, at Seller's sole option, to replacement of the non-conforming Goods, to issuance of a return authorization and credit for the purchase price of the non-conforming Goods, or effecting a purchase price adjustment if Buyer can use the non-conforming Goods. Seller may further issue a credit to Buyer for any processing expenses incurred by Buyer, to the point of discovery of the non-conformity, in such amount and under such circumstances as Seller in its sole discretion shall determine. Buyer specifically agrees that Seller shall not be liable for any special, incidental, or consequential damages under any circumstances.

10. **FAILURE TO ACCEPT.** Except where and only to the extent that Seller has agreed to accumulate Goods for Buyer's account for later shipment, if Buyer either requests deferral of a shipment of Goods otherwise ready for shipment, or fails to release Goods for shipment, or otherwise fails to provide information or documentation necessary for the delivery of Goods, otherwise ready for shipment, and, as a result thereof, Goods must be placed in storage, or held therein longer than agreed, Seller may charge Buyer storage fees commencing 5 days after Seller's notice to Buyer that the Goods are available for shipment.

11. **PERMISSIBLE STANDARDS, TOLERANCES AND VARIATIONS; INFORMATION PROVIDED BY OTHERS.** Except as otherwise stated herein or as otherwise agreed to in writing in a separate instrument, with specific reference to or intended to govern this transaction, all Goods shall be produced in accordance with Seller's standard practices. All Goods, including those produced to meet an exact specification, shall be subject to tolerances and variations consistent with usages of the trade and regular mill practices concerning dimension, weight, straightness, section, composition and mechanical properties, normal variations in surface, internal conditions and quality, deviations from tolerances and variations consistent with practical testing and inspection methods, and regular mill practices concerning over and under shipments. Seller shall not be responsible for the correctness, adequacy or consistency of any specifications or other information furnished by others, including (but not limited to) drawings, material specifications, coatings, structural design or details, plans, bills of material, or any other type of information, regardless of how it is communicated.

12. **APPLICABLE LAW.** This Contract shall be treated as a contract made in the State of Indiana and shall be governed by the laws of Indiana. Any action or suit initiated by Buyer in connection with this Contract must be brought in any federal or state court located in Allen or Whitley County, Indiana, and Buyer hereby consents to the jurisdiction of such courts.

13. **WAIVERS.** Any waiver by Buyer or Seller of a breach of a term or condition of this Contract shall not be construed as a waiver of any other breach of any other term or condition, or a waiver of any similar future breach of the same term or condition.

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