

GENERAL CLAIMS POLICY OF STEEL SUMMIT HOLDINGS

This general claims policy covers all products manufactured or processed by any SSH facility and its associated toll processors. This document covers the major points of a claim policy, but it does not intend to cover all circumstances that may arise. SSH reserves the right to handle each claim individually, based on circumstances surrounding the claim.

All flat rolled product requirements for dimensions, flatness, and surface, coating weight, surface texture, mechanical properties and chemistry will be according to customer specifications accepted by SSH in advance in writing, or consistent with applicable ASTM and JIS specifications and standard tolerances.

Exceptions to the General Claims Policy require written approval by the divisional President and Quality Manager.

SSH is dedicated to supplying customers with products in accordance with agreed to standards and specifications. If material furnished by SSH does not meet order requirements, a claim should be submitted promptly in writing to the appropriate SSH representative (Sales representative, Inside Sales representative, Technical representative). All claims will be evaluated by the Quality Manager on the basis of technical merit in line with published policies, applicable specifications, contracts, purchase orders, and final order acknowledgements.

After a claim is reviewed and decision is determined by SSH, a document outlining SSH's position on the claim will be emailed/faxed to the appropriate customer representative.

Customer Responsibilities

Timely communication of complete material claim information is critical to the completion of root cause analysis and claim resolution.

In order to efficiently evaluate, process and complete a claim, SSH retains the right to visit to investigate and/or require a representative sample of the condition, digital photos with a size reference next to the condition, or a video. All claims must be entered with the appropriate information (claim reason, claim documentation, SSH/Mill tag number, rejection report, quantity of defective material, condition of material, cost of material, etc.). All canned material must be individually de-canned and inspected before a claim can be submitted with the appropriate information. At no time will a claim be accepted based on the outside appearance of a can.

Unauthorized or unidentified deductions before a claim is dispositioned or settled constitutes nonpayment with subsequent consequences, including, but not limited to, credit hold, shipping hold, and loss of discount privileges when applicable.

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Consequential Costs

For claims with merit, the limit of SSH's responsibility will be only the value of the material involved.

SSH will not honor sorting, sampling, storage, freight, additional processing, consequential costs, administrative, or replacement costs unless pre-approved by the Quality Manager prior to incurring the expense.

Scrap Credit

Scrap price and credit value will be determined and specifically acknowledged at the time of final disposition by Quality Manager. No rejected material is to be scrapped without prior approval from SSH.

Transportation Issues

For all shipments, consignee is responsible for inspection and documentation of material condition during receipt and unloading. If exception is noted at the time of receipt, the exceptions must be supported by photos of material prior to unloading the truck. Reasons for exceptions must be documented on the load tally with driver's signature.

On material sold as FOB SSH, it is the purchaser's responsibility to file a claim with the carrier for any claim caused during the transit period from SSH to the customer.

On material sold as FOB destination, SSH will file the shipping loss or damage claim with the carrier.

Consignee is responsible for storing and protecting material from further deterioration while claim is being resolved.