

GENERAL CONDITIONS

1. NOTICES:

Send advice of shipment as soon as any materials or articles are forwarded pursuant to this purchase order, giving correct purchase order and requisition numbers, description of materials or articles and the routing, including, if the shipment is by rail, the car number and initials.

For bulk materials, mail one (1) copy of the shipping notice to the Consignee at destination and two (2) copies to the Accounting Department of the Buyer at destination.

For all other materials or articles mail or deliver a copy of the packing list to the Consignee at destination.

Materials or articles arriving without proper notices will be held until the desired information is received and all costs incidental thereto will be charged to the Seller's account.

2. L. C. L. AND L.T.L. SHIPMENTS:

In addition to observance of the foregoing requirements as to notices and of any other shipping instructions, the Buyer's purchase order and requisition numbers must be plainly marked on all articles or packages in L. C. L. and L. T. L. shipments.

3. C.L. SHIPMENTS:

Cars must be loaded to the carload minimums or the Seller will be charged with any excess freight which the Buyer shall be required to pay because of failure so to load.

Each car must be carded with the name of the Seller, the quantity and description of each item, size and grade of materials or articles and the Buyer's purchase order and requisition numbers.

The Buyer's purchase order and requisition numbers will be found in the upper right hand corner of the face of this purchase order.

4. QUALITY:

All materials and articles and work furnished must conform strictly to specifications, drawings, samples or other descriptions furnished; the workmanship and, where materials to be used are not specified, the materials must be the best of their respective kinds. All materials and articles and work will be subject to inspection and approval by the Buyer; final inspection will be made after receipt of the materials or articles or work by the Buyer; if rejected, they will be held for disposition at the Seller's risk and expense and any payment on account thereof will be promptly refunded by the Seller. Any inspection or approval at the Seller's works or elsewhere during or after manufacture, whether or not such inspection or approval be provided for by the terms of this purchase order, shall be provisional only and shall not constitute final acceptance or be construed as a waiver of the foregoing right of inspection and approval or rejection after receipt of the materials or articles or work by the Buyer. If specifications for the manufacture of articles covered by this purchase order have been given by the Buyer, the Seller may be given a reasonable opportunity to correct defects after the receipt of such articles by the Buyer but only in case correction can be made within a reasonable time. The Seller expressly warrants that all materials, articles or work covered hereby will conform to specifications, will be suitable for the intended use and will be free from defect. The Seller guarantees that parts or complete articles or material or work found defective within one year will be replaced without charge and in addition the Seller will indemnify the Buyer against any law or liability that may result from such defect under any guaranty undertaken by the Buyer in respect of such parts or complete articles or material or work.

5. QUANTITY:

The quantity of materials or articles specified in this purchase order must not be exceeded without the Buyer's permission in writing having first been obtained.

6. DELIVERY:

Delivery must be effected within the time stated in this purchase order, otherwise the Buyer (a) may extend the time for delivery or (b) may cancel this purchase order. The Seller shall reimburse the Buyer for any additional cost incurred by the Buyer if the Buyer shall purchase elsewhere in case of cancellation.

No charge will be allowed for cartage or packing unless specifically agreed to in writing by the Buyer.

When the terms of delivery are f.o.b. the Buyer's works, all transportation charges (including charges for terminal switching service) on materials or articles furnished under this purchase order, as well as for services in connection therewith, must be at the Seller's expense and in accordance with the carriers tariffs lawfully in effect at the time the shipments are moved or the services are performed.

7. ROUTING:

All materials or articles must be forwarded by the route and class of service taking the lowest transportation rate (including rail, motor truck, United Parcel Service, parcel post and inland, inter-coastal or coastwise vessel service) or in accordance with such special shipping instructions as may be issued by the Buyer; provided, that no quantity less than 10,000 pounds shall be shipped by rail and all quantities weighing less than 100 pounds shall be shipped by United Parcel Service, if available, or otherwise by insured parcel post. Any extra transportation cost resulting from failure to comply with this paragraph 7 will be charged to the Seller's account. When the applicable carrier's tariffs do not include insurance, all shipments must be forwarded properly insured.

8. INVOICES:

Standard payment terms are Net 31st prox. for non-discounted invoices or 15th & 31st prox. for discounted invoices. Unless otherwise specified, itemized invoices must be rendered in accordance with instructions on the face of this purchase order at the time of each shipment **accompanied by the original bill of lading or express receipt**, otherwise the Buyer cannot prevent delays in payment.

9. TERMS:

Unless otherwise agreed, invoices shall be payable as follows:

<u>Invoices Dated</u>	<u>Dates Payable</u>	
	<u>Discountable</u>	<u>Non-Discountable</u>
1 st to 15 th	Last day of current month	31st prox.
16 th day to last day	15 th of following month	31st prox.

provided that prices, terms with respect to cash discount rate, if any, and other conditions shown on the invoice are in accordance with those specified in this purchase order and materials or articles have been received in apparent

good condition; and provided that invoices which are not received within ten (10) business days prior to the Scheduled payment date may be processed for payment on the next scheduled payment date.

Any monies due for materials or articles furnished or work performed by the Seller hereunder may at the option of the Buyer be applied by the Buyer to the payment of any sums which the Seller or any company affiliated with or subsidiary to the Seller may owe to the Buyer or to any of the Bethlehem Companies, as that term is hereinafter defined.

Drafts for the purchase made under this purchase order will not be honored.

10. INDEMNITY:

The Seller will indemnify and save harmless the Bethlehem Companies (which term as used herein means Bethlehem Steel Corporation, its successors or assigns, and all corporations, including the Buyer, now or hereafter owned or controlled directly or indirectly by said Corporation or its successors or assigns, and the successors or assigns of any corporation so owned or controlled) and any purchaser from any of the Bethlehem Companies of the materials or articles furnished under this purchase order, from and against any and all costs, damages and expenses of any kind or nature whatsoever which may arise out of, or result from, or be reasonably incurred in contesting, any claim by any person, firm or corporation that the manufacture, purchase, use or sale of any of said materials or articles infringes or contributes to the infringement of any letters patent. Without prejudice to the generality of the foregoing, at the request of any of the Bethlehem Companies the Seller will defend at its own expense any suit brought against such Company to enforce any such claim, it being understood that such Company will give the Seller notice in writing of the starting of any such suit and will render all reasonable assistance which the Seller may desire in defending such suit, the Seller hereby agreeing to reimburse such Company upon demand for any expense incurred by it in rendering such assistance. The Seller also will indemnify and save harmless the Bethlehem Companies from and against any and all obligations or liabilities of or claims against the Buyer under any provision of the contract in or for the performance of which the materials or articles are purchased in respect of claims for alleged infringement of patents based upon the manufacture, purchase use or sale of any of Said materials or articles.

The Seller also will indemnify and save harmless the Bethlehem Companies from and against loss of or damage to any and all patterns, moulds, templates or materials delivered to the Seller by or for any of the Bethlehem Companies so long as the same shall be in the Seller's possession, however such loss or damage may occur.

The Seller further will indemnify and save harmless the Bethlehem Companies from and against any and all demands, loss or liability for or on account of any injury, including death, or damage received or sustained by any person or persons, including any employee, representative, agent or invitee of the Seller or any of its subcontractors, by reason of any act or neglect on the part of the Seller or its subcontractors or the employees, representatives, agents or invitees of the Seller or its subcontractors, in connection with or arising out of the furnishing of the articles, materials or work hereunder. In the event that any such injury, including death, or damage is caused by the joint or concurring negligence of any of the Bethlehem Companies and the Seller or its subcontractors or the employees, representatives, agents or invitees of the Seller or its subcontractors, the loss or liability shall be borne by such Bethlehem Company and the Seller equally. The Buyer after any such demand, loss or liability may withhold from any amounts at any time payable to the Seller under this purchase order such sum or sums and for such period or periods as the Buyer may deem necessary to protect the Bethlehem Companies against possible loss or expense, including attorney's fees, from or in connection with any such demand, loss or liability.

11. EMPLOYMENT POLICIES AND PRACTICES:

Equal Employment Opportunity: The Seller will comply with all provisions of Executive Order No. 11246 of September 24, 1965, as amended from time to time, and subsequent Executive Orders of similar import, and the rules, regulations and relevant orders issued pursuant thereto.

Employment of the Handicapped-Disabled Veterans and Veterans of the Vietnam Era: The following affirmative action clauses and the related regulations of the United States Secretary of Labor are hereby incorporated herein by reference (a) Affirmative Action for Handicapped Workers, 41 CFR 60-741 .4, and b) Affirmative Action for Disabled Veterans and Veterans of the Vietnam Era, 41 CFR 60-250.4 and 41 CFR 61-250.10,

12. LIENS:

All materials or articles delivered and work performed under this purchase order shall be free of all liens and, if the Buyer requests, a proper release of all liens or satisfactory evidence of freedom from liens will be delivered to the Buyer.

13. ASSIGNMENTS:

This purchase order or moneys payable hereunder shall not be assigned in whole or in part without the Buyer's permission.

14. COMPLIANCE WITH LAWS:

In the performance of work hereunder, the Seller will comply with all applicable and valid Federal, state and local laws, and rules and regulations of any governmental authority which have the effect of law. Any provision required to be included in this purchase order by any such applicable and valid law, rule or regulation shall be deemed incorporated herein.

15. FINANCIAL RESPONSIBILITY:

The Seller warrants that it has and will at all times maintain and, upon request by the Buyer, will show that it has sufficient working capital to perform this purchase order. The Buyer may terminate this purchase order without liability in respect of any undelivered materials or articles if the Seller shall (1) not maintain such working capital, (2) become insolvent or bankrupt or (3) make any general assignment for the benefit of its creditors or if any trustee or receiver of any substantial part of the Seller's assets shall be appointed. Any forbearance in exercise by the Buyer of such rights under this paragraph shall not be deemed a waiver thereof,

16. MODIFICATION:

No waiver, alteration or modification of the terms and conditions of this purchase order and no other terms or conditions, other than those stated herein, shall be binding upon the Buyer unless agreed to in writing and signed by its Purchasing Agent.