

MTMT Aluminum Customer Claims Policy

This document describes the policy and procedures for the filing/processing of claims for aluminum products on MT Metal Trading (“MTMT”) and procedures regarding disposition of claims. All claims submitted to MTMT by the customer will be evaluated on the basis of validity and in accordance with our policies and procedures. We reserve the right to take appropriate legal action if noticing any fraudulent information. No debit memo shall be deducted from MTMT until after a claim has been entered, reviewed, accepted and a MTMT credit memo has been issued.

Unauthorized deductions occurring prior to disposition and settlement of a claim constitute nonpayment. Subsequent consequences include, but are not limited to, shipping hold, credit hold, additional service fees on past due amounts and/or loss of discounts.

GENERAL REQUIREMENTS

The MTMT aluminum claims policy is a term of MTMT’s conditions of sale and covers claims on material defects only. MTMT does not reimburse for: labor (i.e., back off charges and post fabrication charges by end user) and/or freight and/or transfer charges, (to and from 3rd party processors) loss of production, or charges associated with claims resulting from material defects.

MTMT supplies standard distributor quality from our depots or directly from the mill. We must be notified at time of the purchase order placement of any special end-use requirements for our evaluation.

1. CRITERIA FOR MATERIAL REJECTION ON COIL STOCK

- A) Our guaranteed minimum yield is 97% based on the net weight of the coil.
- B) If a defect is visible at the beginning of an individual coil, we authorize the processing of up to 10% of the coil weight to evaluate the degree and persistence of the defect.
- C) If the defect diminishes at the 10% point, we authorize the processing of an additional 5% of the coil weight. If the defect persists, processing must be stopped immediately. The balance of the coil, along with the metal processed, must be set aside for our inspection.
- D) If a defect appears towards the end of the coil, we authorize to process any remaining coil weighing 1,000 lbs. or less and to set aside for our inspection, (the defective material in excess of our guaranteed minimum yield of 97%).
- E) All rejected material must be properly identified with your P.O. Number, the MTMT sales order number, invoice number, grade, dimensions, **claim number** and the net weight being returned. Additionally, attach a copy of the corresponding mill test report/packing list.

2. CRITERIA FOR MATERIAL REJECTION ON FLAT SHEET

The same procedures apply as with coil. Flatness tolerances are per dimensional and do not affect the inherent quality of the sheets will not be considered for rejection. Surface quality is

normal for commercial mill finish which may have some roller marks that occurred during sheeting and may display occasional slight hairline scratches.

3. NOTIFICATION OF REJECTION

The following must be provided:

- A) A sample and/or photographs that clearly display the nature of the defect. Original Heat/Lot number or Tag needs to be showed on photo with the defective material. Samples submitted must be marked with the MTMT claim number, which shall be provided by your account representative.
- B) A copy of the mill test report/packing list corresponding to the material under claim.
- C) An accurate description of the defect(s) and the exact location(s) within the coil (head, middle, tail and edges, top or bottom).
- D) Shape defect - samples are generally not required. However, please provide digital photos with a ruler measurement indicating the height of the wave and distance between centers. Failure to advise these details in a timely manner on the part of the customer may lead to a decline of the claim.
- E) An MTMT claim form filled out and completed, submitted to your account representative with all the above documents.

4. SETTLEMENT OF THE REJECTION

- A) A claim may be settled for raw material less scrap value, (scrap value will be calculated at the time of acceptance of the claim). No material may be scrapped or otherwise disposed of without our written approval and the following criteria:
 - a. A sample of the defective material should be retained in any case, since the mill may request physical examination of the claim sample and completion of such examination may be necessary before the claim will be accepted or denied.
 - b. Upon receipt of the sample or substantiating digital photos, discussion with the mill for review of production and inspection records.
 - c. If there is a disagreement between the customer's and the mill's opinion regarding the validity and extent of the claim, a thorough onsite inspection may be promptly performed to settle the matter.
- B) No claim will be honored on material that has already been processed when it exceeds the limits specified in part 1: (criteria for material rejection on coil stock).
- C) No claim will be honored if the above procedures are not followed.
- D) A claim initiated and presented by a third party will not be considered. Expenses or damages caused by **third party processing is at client's expense.**
- E) The **absolute maximum time limit** for claims involving inherent metallurgical quality or concealed defects is 90 days from customer's receipt. Under no circumstances will any claim be considered past this time limit.

DEPOT ORDERS

All claims for water stains and/or hidden mill defects must be filled within 60 days of purchase date from MTMT inventory. External damage of any kind is to be promptly reported upon receipt at customer's facility.

MILL DIRECT ORDERS

All claims for water stains and/or hidden mill defects against mill-direct orders must be filed within 90 days of receipt of material.

F) All aluminum that we agree to accept for return must be securely skidded for standard shipping and handling. The contents must be tagged in accordance with section 1, part d of this document.

Company Name

Authorized Signature

Print Name and Title

Date