

#### **Technical Guarantees:**

#### **Grades & Norms**

Serviacero Worthington guarantees that the products supplied to our customers comply with the chemical composition and mechanical properties in accordance with the steel grades requested. These characteristics are documented through a quality certificate for each product shipped.

The chemical and mechanical properties are guaranteed based on applicable international standards such as ASTM, EN, SAE, JIS, GMW, NES, etc. in accordance with what has been established in the quote. Any special requirements must be established in the quote.

#### **Products**

Due to the natural properties of steel, SW cannot extend an unlimited warranty, so the following terms are established:

- For defects in shape, surface, dimensions and appearance, 6 months are offered from the date of shipment. The reference standard for dimensional and shape tolerances is ASTM A568 for uncoated steel and A924 for coated.
- For random rust stains on materials ordered with oil, a 45-day warranty is offered from the date of shipment. For materials coated with chemical treatment (without oil) the warranty is 30 days and for coated materials ordered dry (without oil or chemical treatment) the warranty is 7 days.
- For pickled hot-rolled and cold-rolled materials requested dry (without oil), rust warranty does not apply since, without any protection, it's possible that rust spots and/or stains may be generated during transportation or storage.
- For defects related to logistics and packaging such as bumps, wet material (stains/rust due to water seepage into the tapes or blanks), packaging problems, weight differences, etc. A maximum time of 48 hours is offered to notify the claim. Said notification must include photographs with evidence of the conditions in which the material was delivered.
- As indicated at the bottom of each invoice issued and sent to our customers: "For billing and collection purposes, only the weight of the Serviacero Worthington scales applies. Variations between scales of less than ±1.0% are considered normal", this in accordance with the ASTM A700 standard (section 4.8). In the event that upon receipt of the material a weight difference greater than 1.0% is found, the Customer must demonstrate that the scale with which the weight of the material was measured has a current calibration certificate (maximum 12 months old) issued by a laboratory accredited by the EMA (Mexican Accreditation Entity) and monthly verifications with a standard block equivalent to at least 10% of the maximum load capacity of the scale.
- Once the deadline applicable to each type of defect has expired, Serviacero will not be able to accept claims or returns.

# **Product Evaluation**

For evaluation of chemical and/or mechanical properties, only tests carried out in certified laboratories (A2LA, EMA or equivalent) will be valid. It should be considered that flat steels, by their very nature, tend to change their mechanical properties as a function of time (age). To consider a counter-test valid, it must be carried out within the first 90 days after the manufacture of the steel unless the applicable standards indicate another parameter. Once this time has passed, it is possible that variations in comparison with the original properties may be obtained in a counter-test. Therefore, claims or returns due to mechanical properties on materials more than 90 days old are not acceptable.

## Superficial Quality

In general, flat steels are manufactured for non-exposed use; If, due to its application, a product must be evaluated as semi-exposed or exposed, it must be requested as such from the quote request and the superficial evaluation criteria must be established in the quote to ensure that the product can meet the cosmetic requirements expected by the customer. Due to the characteristics of the manufacturing process of hot rolled steel, the criteria of semi-exposed use do not apply, nor does it apply in exposed Hot Rolled or Pickled Hot Rolled. The applicable criteria for Non-Exposed Use are those described in ASTM A568.



## Special Documentation

PPAP documentation and MDS registration will be done at the customer's request. This request must be made in writing through SW sales. The customer must indicate the requested level of PPAP as well as its ID number in the IMDS. Once the PPAP is delivered, the customer has 60 days to return the signed PSW. If PSW is not received back, its approval will be assumed, and it will not be possible to generate new PPAPs until the PSW previously sent is received properly signed.

# **Non-Conforming Material Claim Process**

To initiate any claim, it is essential to have the following information: Coil number, Part number or product code, Suspected quantity, Defect, or discrepancy (if the defect is not visible in the material, it will be necessary to obtain a sample of the defect). If is not possible to collect the steel in a safety manner, the disposition will be scrap at customer facility. The recovery of scrap sell will be reduced to the credit note.

Once this information is received, a maximum of 48 hours is offered to review the material and rule on it. When it is necessary to do an additional analysis to determine the cause of the failure, a commitment time will be established based on the type of analysis that is necessary.

Once the rejection is accepted, it is offered to collect it in a period of no more than 10 days. Upon receiving the material and confirming its weight, the credit note is issued.

The guarantees described in this document cover the material delivered. No claim may exceed the amount invoiced for the material. Serviacero Planos S de RL de CV (Serviacero Worthington) does not accept consequential charges (expenses adjacent to the problem for which the material is claimed, for example downtime of productive machines, overtime, expedited freight, third party claims, administrative expenses, etc.). Any draw or rework to recover a material supplied by SW must be authorized by Serviacero so that it can be included in the claim.

## **Engineering Changes**

To make a modification to a part number currently supplied by Serviacero, the customer must formally request the engineering change. This request must be made in writing and delivered to the Promoter and/or Sales Manager to review the feasibility of the change.

If the change is feasible, the Manager and/or Salesperson will indicate to the customer the inventory of finished goods and Coil with the previous specification, the break point for the entry of the new specification as well as the quote for the new product (if applicable). Once the customer accepts the conditions to apply the engineering change and delivers the new PO or Technical Sheet, the Manager and/or Salesperson will confirm in writing the acceptance of the engineering change.

If an engineering change is not requested and communicated by the customer formally and through the channel described in this document, it will not be possible for Serviacero to guarantee the correct application of the change. Sending a PO without a notification requesting the engineering change is not considered a formal notice.

Director of Quality & Engineering Serviacero Worthington