PURPOSE

Many McWane team members frequently face the need to negotiate and execute contracts on behalf of McWane, Inc. and/or its divisions and subsidiaries ("McWane" or "Company"). Contracts can create legally binding obligations that also create financial, regulatory, and other legal risks. This contract management policy ("Policy") provides a framework for review and acceptance of contracts that is designed to minimize those risks and facilitate a positive working relationship with the other party. The elements discussed below should be applied to all contracts to which McWane is a party.

I. SCOPE

This Policy applies to all McWane divisions and subsidiaries. Divisions and subsidiaries may adopt supplementary, more restrictive signatory and authorization policies, but all such policies are subject to this Policy.

Any person signing a document under the authority of this Policy is responsible for:

A. exercising reasonable due diligence to understand the substance and purpose of the agreement;
B. confirming that the document accurately states the terms of the agreement; and
C. obtaining required approvals from appropriate senior management and the Legal Department.

This Policy is comprehensive and replaces all previous policies and practices relating to contract management.

II. DEFINITIONS

Approved Form: a standard contract form that has been approved by Company management and the Legal Department for general use, such as standard terms and conditions used in a routine purchase or sale transaction. Such forms may only be used in accordance with the guidelines set forth herein and any instructions or guidelines specifically associated with that particular form. "Approved Form" does not include a Contract utilized in a previous transaction that is not a standard agreement, nor does it include a standard form with any material modifications.

Authorized Manager: a member of management with the authority to approve or sign the Contract under consideration. The manager must have authority as to both the nature and value/risk level of the Contract. Authorized Managers include the most senior executive in charge of a business group and others to whom such authority has been delegated by such senior manager in writing.

Contract: any agreement between McWane and a third party. To avoid any misunderstanding about the terms of McWane's agreements, McWane requires that all agreements to which it is a party must be in writing; verbal agreements are not allowed. Examples of Contracts include, but are not limited to:

- Agreements for construction, fabrication, goods or services;
- Terms and conditions of sale or purchase;

- Letter agreements, letters of intent, memoranda of understanding;
- Purchase orders or any other types of agreements for purchasing goods or services;
- Sales orders and any other types of agreements for selling goods or services;
- Land agreements (easements, leases, deeds, Contracts for sale or purchase);
- Non-disclosure agreements;
- Consignment agreements;
- Equipment rental and lease agreements;
- Distribution agreements and rebate programs;
- Consulting agreements;
- Licenses;
- Development agreements; and
- Employment agreements, non-compete agreements and any agreements with team members.

Terms and Conditions of Purchase: the Company's standard terms and conditions for use when purchasing goods or services, in the form approved by McWane management (and, in the case of a subsidiary, management of that subsidiary) and the McWane Legal Department.

Terms and Conditions of Sale: the Company's standard terms and conditions for use when selling our products, in the form approved by McWane management (and, in the case of a subsidiary, management of that subsidiary) and the McWane Legal Department.

III. CONTRACT APPROVAL PROCESS

In all cases, before signing a Contract, team members should thoughtfully consider: (1) Who is authorized to sign this Contract, (2) does this Contract require review by the Legal Department and (3) does this contract qualify as a fixed asset and require corporate approval prior to signing? As detailed in Section IV of this Policy, all Contracts must be reviewed and approved by an Authorized Manager prior to execution. In some situations, a review by the Authorized Manager will be sufficient. However, in certain situations (including more complex situations), a review by the Legal Department will be necessary after the Authorized Manager has reviewed and approved the business terms. This Policy is designed to assist team members in deciding what level of approvals is required in a given situation.

An Asset Requisition ("AR") is required if the purchase is for an asset with a cost equal to or greater than $5,000 and a life expected to exceed one year. An AR has additional environmental and safety checklists that may be required depending on the nature of the asset under consideration. Approvals of the AR are required prior to purchasing or committing to purchase the asset. Team members should consult with their facility controller for the appropriate procedures for completing and submitting an AR.

There are three dimensions of approval: (1) substance (i.e., does the Company want to do/buy/sell what is being proposed); (2) price and schedule; and (3) contract terms and conditions. If a Contract needs to be reviewed by the Legal Department, the AR for that transaction should first be reviewed and approved by the Authorized Manager.

The team member requesting review is responsible for:

- Ensuring that all necessary approvals are obtained prior to transactions or commitments are made on behalf of the Company; and
- Ensuring that the transaction or commitment represents good value and benefit to the Company.

Authorized Managers are responsible for:

- Providing assurance that the transaction or commitment is proper, appropriate and in compliance with all Company policies by reviewing or approving all supporting documentation on a timely basis; and
- Ensuring that the transaction or commitment represents good value and benefit to the Company.

The Finance Department is responsible for ensuring that no payments are made without appropriate authorization.

If you have any questions about where a Contract fits under this Policy, please contact Teri Lavette at teri.lavette@mcwane.com.

IV. LEVELS OF SIGNING AUTHORITY AND CONTRACTS REQUIRING LEGAL REVIEW

There are three (3) levels of signature authority and approval that govern the execution of Contracts on behalf of the Company. The signature or written authorization, including email authorization, of one of the following officers or managers is required on every Contract according to the schedule of monetary value and/or risk below:

Tier 1: Contracts with a total value in excess of $100,000 may only be signed or authorized by: chief executive officer, chief financial officer, executive vice presidents, senior vice presidents and senior executive in the division or subsidiary.

Tier 2: Contracts with a total value up to $100,000 may be signed or authorized by any Tier 1 manager: vice presidents, plant managers and assistant general managers.

Tier 3: Contracts with a total value up to $10,000 may be signed or authorized by any Tier 1 or Tier 2 individual or the manager or director of the following departments: human resources, controllers/accounting, safety and environmental, purchasing, information technology, sales and credit.

For installment Contracts or blanket Contracts based on estimated volumes over time, the threshold amount for consideration is the estimated volume for a period up to one (1) year.

Except in situations when an Approved Form is used or a contractor or supplier is vetted through ISNetworld, all documentation related to the following types of Contracts will always require review by the Legal Department, and in some instances, may require special authorization from the Board of Directors:

- Financing and banking transactions, such as loans or lines of credit; bank account administration; and tax administration;
- Contracts with a term of more than one year, including a Contract that permits renewal beyond one year or is automatically renewed for more than one year;
- Matters requiring specific action by the Company Board of Directors, such as the issuance of stock or incurrence of long-term debt; pension, savings or group welfare plans and amendments; executive bonus plans and employment Contracts with elected officers;
- Contracts for the merger with another company or the acquisition or sale of the assets of another company or business;
- Confidentiality or non-disclosure agreements with a prospective business partner;
- The formation of any new entity or company;
- Any Contract by which the Company will assume, guaranty or indemnify another person or entity for any debt, obligation or liability, including guarantees of trade obligations of McWane subsidiaries;
- Any Contract involving the performance of services or delivery of goods that could reasonably be anticipated to create a significant risk of (1) property damage or (2) personal injury;
- Any Contract that affects the Company's intellectual property rights, including licenses, trademarks and patents;
- Any Contract for the design, development or modification of software;
- Amendments or extensions to any Contract that originally required Legal Department approval;
- Any government Contract;
- Any Contract which contains special requirements or unique clauses that have not been reviewed by the Legal Department;
- Any Contract which will give rise to annual price increases to the Company, such as maintenance agreements or Contract renewals;
- Any Contract with distributors or sales representatives; and
- Significant Contracts which require the payment by McWane of more than $50,000 in total.

Other Contracts not included in the list above do not require Legal Department review so long as the Company will use an Approved Form, unless material changes to those forms are proposed. A "material change" would not include names of parties, dates, addresses, time allowed for payment and similar items, but might include such things as changing payment terms to include letters of credit, guaranteeing delivery dates or deleting any provisions.

Team members may NOT split expenditures or commitments into multiple transactions in an effort to avoid the approval process or Legal Department review. If the total value of a project or transaction exceeds the applicable threshold, it must be reviewed and approved even if it will be completed in stages or parts.

Please note that approval of a budget is not written authorization to enter into a Contract. Formal authorization specific to the particular Contract is required.

The team member with ultimate responsibility for the Contract should be appropriately prepared by his or her staff for questions, if any, regarding the draft Contract.

V. PROCESS FOR CONTRACT REVIEW

A. LEGAL REVIEW AND APPROVAL TIMELINE

Several factors can influence the time required to review a Contract, including the complexity of the underlying agreement, extent of Contract customization, the use of standard templates, competing projects and work from other McWane operations, and availability of personnel. As a result, team members should evaluate whether Legal Department review will be necessary at the beginning of the contracting process. When in doubt, ask. If such review is required, contact the Legal Department immediately to discuss timing and process. As a general rule, assume a minimum of ten (10) days for completion of Legal Department review. Once Legal Department review has been started by one of the McWane lawyers, please continue to work with that lawyer on the matter and do not ask another lawyer for review, unless there is an emergency need and the original reviewing lawyer is unavailable.

To initiate Contract review by the Legal Department, please email a completed Contract Review Request Checklist to the Legal Department (Teri Lavette) at teri.lavette@mcwane.com with subject Contract Review Request. The current form of this checklist is found on the Company intranet under "Sites" and "Code of Conduct" and also at www.mcwane.com under the Team Members site. The Legal Department will respond to the request indicating a time-line for review and comment.

B. APPROVED FORM TEMPLATES

Approved Forms, such as Contract templates with standard terms and conditions, are available for use for multiple Contracts of the same nature. When an Approved Form is used for a Contract, any changes to terms of the Approved Form that are strictly of a commercial nature (price, delivery schedule, customary payment terms) will not require approval by the Legal Department unless otherwise provided in the "Contracts Requiring Legal Review" checklist above. Approved Forms are currently available for:

1. Terms and Conditions of Sale – for use in selling Company products; available on the Company public websites under the "Terms and Conditions" tab
2. Terms and Conditions of Purchase – for use in purchasing goods or services by the Company; available on the Company public websites under the "Terms and Conditions" tab
3. Sales Agreement Terms - short form for use in selling Company products and incorporating the Terms and Conditions of Sale by reference
4. Purchase Agreement Terms – short form for use in purchasing goods or services and incorporating the Terms and Conditions of Purchase
5. Acknowledgment Form A – the form to be used when purchasing goods or services on behalf of the Company by which a supplier or contractor acknowledges the Company's Terms and Conditions of Purchase, a copy of which is attached to this Policy as Appendix A; to be used ONLY if the supplier/contractor has not been vetted through ISNetworld
6. Acknowledgment Form B – an alternate form for supplier or contractor acknowledgment of the Company's Terms and Conditions of Purchase, to be used ONLY if the supplier/contractor has objected to the indemnity section of the Terms and Conditions of Purchase and no other

changes are requested, a copy of which is attached as Appendix B; and to be used ONLY if the supplier/contractor has not been vetted through ISNetworld

7. Mutual Confidentiality Agreement – for use in protecting Company and other party confidential information
8. Recipient Confidentiality Agreement – for use in protecting Company-only confidential information
9. Consignment Agreement – for use in consigning Company inventory to another party
10. Purchase Money Security Agreement (Forms A and B) – for use in perfecting the Company's security interest in products sold on credit
11. Premises Permit and Full Release – for visitors to sign before being allowed onto Company property
12. Agreement for Use of Temporary Personnel – for use when contracting for temporary employees
13. Consulting Agreement – for use when contracting for consulting services to be provided to the Company
14. International Sales Representative Agreement – for engaging sales representatives in countries other than the U.S.
15. International Distributor Agreement – for engaging distributors in countries other than the U.S.
16. Domestic Sales Representative Agreement – for engaging sales representatives in the U.S.
17. Domestic Distributor Agreement – for engaging distributors in the U.S.

The latest versions of these Approved Forms are available by contacting the Legal Department.

C. USE OF PREVIOUS CONTRACT LANGUAGE

With the exception of the use of an Approved Form in accordance with Section B, above, team members shall not attempt to create Contracts by cutting and pasting wording or clauses of previous Contracts negotiated or approved by the Legal Department. Each commercial situation raises different issues, and language that is appropriate for one context might not be appropriate for others.

D. **OTHER PARTY DOCUMENTS**

Other parties often ask the Company to sign or consider their contract forms rather than our own. Language proposed by the other party usually favors that party, and it can be difficult to obtain modifications once their contract language becomes the baseline. As a result, team members should try to avoid beginning the negotiation from the other party's documents, and if possible, always suggest that we start with our terms. If the other party is unwilling to consider using our terms as a basis for negotiation, have their terms reviewed by the Legal Department to assure compliance with McWane requirements BEFORE giving any indication that such terms will be acceptable. Team members should never sign a document agreeing to or acknowledging another party's terms and conditions without Legal Department review if that Contract meets the criteria in Section B above.

VI. ADDITIONAL CONSIDERATIONS AND PROCESSES FOR INTERNATIONAL CONTRACTS

International trade may expose the Company to liabilities in addition to those usually encountered in domestic U.S. trade. There are additional due diligence requirements applicable to trade outside the United States, such as party screening. Additionally, because the laws of each country are different, selling products or services into other countries requires additional legal scrutiny of Contracts for those transactions.

Prior to entering into any Contracts for trade with entities in a country other than the U.S., team members should contact the Legal Department and the International Trade Compliance (ITC) officer for the division or subsidiary. The ITC officer should conduct appropriate screening of involved parties to assure approval. The Legal Department will have the Contract reviewed by local counsel in the involved countries to assure that Contract provisions will be enforceable and to get advice regarding contract issues in those countries. Because of this, team members should allow extra time for review.

Many of the international arrangements (whether sale of our products or purchase of inventory or fixed assets) involve the giving or receiving of Letters of Credit. Where Letters of Credit are involved, all relevant documentation needs to be sent to the Corporate Treasurer for review and to assist in further processing. All Letters of Credit that McWane accepts are to be confirmed by a US Bank to assure we receive payment.

VII. RECORD RETENTION AND CONTRACT CUSTODIANS

After a Contract is signed by both parties, a legible electronic copy (or the original if specified in the McWane, Inc. Record Retention Policy) must be retained in accordance with the McWane Inc. Record Retention Policy, found on the Company intranet under "Sites" and "Code of Conduct" and also at www.mcwane.com under the Team Members site. In addition, a legible electronic copy of the following Contracts must be sent to the Legal Department (Teri Lavette) as part of our Contract database:

- All Contracts requiring Legal Department review according to this Policy and supporting documents
- All consulting agreements
- All government Contracts
- All confidentiality/ non-disclosure agreements
- All amendments and extensions to Contracts that are already maintained in the Legal Department database

VIII. CONTRACT COMPLIANCE

Team members who are responsible for maintaining Contracts should also set up appropriate calendaring systems and other reminders and tracking systems to ensure that all obligations under the Contracts, including but not limited to renewals, termination notices and other notices, are properly and timely observed and delivered.

IX. CONTRACT POLICY ADHERENCE

Team members entering into Contracts with third parties that are unauthorized by the Legal Department or that are not approved in accordance with this Policy may face disciplinary action, up to and including termination.

Strict compliance with this Policy is required. In addition, a team member who signs a Contract without the requisite signatory authority may face personal liability for the Contract. "Personal liability" may include responsibility for all costs, obligations, liabilities and expenses associated with the Contract, including attorneys' fees and other expenses.

X. POLICY UPDATES

This Policy and the associated supporting documents, including Approved Forms, will be reviewed on at least an annual basis.

CONTACT INFORMATION

Please contact Teri Lavette at teri.lavette@mcwane.com or 205-578-3813 if you have any questions about this Policy.

APPENDIX A

ACKNOWLEDGEMENT

This is to acknowledge that _____ ("Seller") has previously entered into a self-executing and binding agreement with McWane, Inc., and/or its divisions or subsidiaries (as applicable, "Buyer"), and Seller hereby acknowledges its commitment and agreement to all of Buyer's Terms and Conditions of Purchase found at http://www.mcwane.com/terms-and-conditions/ (the "Agreement"), which are incorporated herein by this reference.

In fulfillment of its obligation under the Agreement to maintain insurance coverage in an amount satisfactory to Buyer, Seller agrees to provide insurance coverage as specified in the attached sample certificate of insurance.

Date: _____

Seller: _____

By: _____

Print Name: _____

Title: _____,
who is the fully authorized representative of Seller for the purpose of executing this document.

Attachment: Sample Certificate of Insurance

APPENDIX B
ACKNOWLEDGEMENT

This is to acknowledge that _____ ("Seller") has previously entered into a self-executing and binding agreement with McWane, Inc., and/or its divisions or subsidiaries (as applicable, "Buyer"), and Seller hereby acknowledges its commitment and agreement to all of Buyer's Terms and Conditions of Purchase found at http://www.mcwane.com/terms-and-conditions/ (the "Agreement"), which are incorporated herein by this reference.

The parties further agree that the first sentence of the paragraph headed "Indemnity" in the Agreement is amended and restated in its entirety to read as follows:

> Seller will be responsible to the fullest extent permitted by applicable law to indemnify, defend and hold Buyer harmless from and against any and all claims, losses, suits, damages, liabilities, settlements, expenses and costs (including without limitation attorneys' fees and other costs of litigation) that, directly or indirectly, arise from or relate to (a) any breach or violation of any term of this Agreement, including any warranty or guarantee; (b) sickness, disease, death or injury ("Injuries") to any person or persons, including without limitation those Injuries that result solely or concurrently from Buyer's negligence; and (c) injury to property (including loss of use thereof) of Buyer or others arising out of or in any way connected with Goods or performance of Services, including without limitation those that result solely or concurrently from Buyer's negligence; provided, however, that Seller will have no obligation to indemnify Buyer for claims or losses described in clause (b) and/or (c) above t to the extent that they arise from Buyer's negligence or intentional misconduct. Seller warrants that any Goods and processes purchased pursuant to this Agreement, and the sale and/or use thereof, will not infringe any U.S. Letter Patent. Seller agrees to defend and indemnify Buyer from and against all claims, damages, actions or causes of action at law or in equity, together with all expenses and attorneys' fees, incident to any infringement or claimed infringement of any patent(s) and/or license(s) arising from use or sale of Goods. In the event that Seller provides to Buyer any Goods or process to be utilized by Buyer subsequent to Seller's completion of Services, Seller will, at no expense to Buyer, provide to Buyer upon final payment a paid-up, irrevocable, royalty-free, nonexclusive license to operate said Goods and/or perform said processes. In the event that Seller is unable to secure such license, Seller will, at no expense to Buyer, modify the Goods so as to render them non-infringing or will remove the Goods and replace them with Goods which will not infringe upon any licenses or patents, provided they continue to meet the specifications of this Agreement.

The Agreement will otherwise remain in full force and effect.

Date: _____ *Seller:* _____

By: _____

Print Name: _____

Title: _____,
who is the fully authorized representative of Seller for the purpose of executing this document.

Attachment: Sample Certificate of Insurance
B-7/21/2015