

Customer Claims Policy

Worthington Steel is committed to the highest quality steel processing and to serving our customers to 100% satisfaction while encouraging and maintaining continuous improvement through leadership and employee involvement.

Our goal is to ship product with zero defects to our customers every time. We believe our people, systems and processes produce quality that is superior to other steel suppliers in the marketplace.

When a problem arises, we will make every reasonable effort to address the situation in a timely manner in order to resume shipment of high quality product. We expect to receive sufficient evidence [samples, photographs, etc.] of the defective material so that we can determine root cause and formulate corrective actions at our plant.

When we agree that steel supplied is defective, we accept liability for the price of the steel plus applicable inbound freight. We expect customers to work with us to minimize overall cost when a rejection is necessary, just as we work with our suppliers in similar situations.

When defective material is scrapped at a customer's plant, we expect to receive scrap credit at the prevailing scrap price, less a reasonable handling charge. We are willing to work with the customer to find buyers who will pay a competitive price for our scrap, thereby reducing the overall cost of claims to our supply chain.

We do not accept liability for administrative, downtime, sorting or other charges that are beyond the value of the steel involved in a claim.

We cannot accept claims for conditions that were not caused by our processes or employees. We do not accept claims for obsolete material that is over one year old.



Toll Processing Customer Claims Policy

Worthington Steel is committed to the highest quality steel processing and to serving our customers to 100% satisfaction while encouraging and maintaining continuous improvement through leadership and employee involvement.

Our goal is to ship product with zero defects to our customers every time. We believe our people, systems and processes produce quality that is superior to other steel suppliers in the marketplace.

When a problem arises, we will make every reasonable effort to address the situation in a timely manner in order to resume shipment of high quality product. When our tolling customer is notified of a potential claim, we expect to be notified within 30 business days. We expect to receive sufficient evidence [samples, photographs, etc.] of the defective material so that we can determine root cause and formulate corrective actions at our plant. We will use our best efforts to provide our tolling customer a disposition within 10 business days.

We expect customers to work with us to minimize overall cost when a rejection is necessary, just as we work with our suppliers in similar situations.

We warrant the value of our processing services with a money-back guarantee. If we agree that we are responsible for processor-caused damage which devalues the customer's material, our liability is limited to the lost value, as agreed with the customer, excluding profit margin, consequential damages or opportunity cost.

We do not accept liability for administrative, downtime, sorting or other charges that are beyond the value of the steel involved in the claim.

We cannot accept claims for conditions that were not caused by our processes or employees. We do not accept claims for obsolete material that is over one year old.

RUST DAMAGE CLAIMS POLICY

The investigation of rust damage often requires a degree of judgment as to the cause or source of the damage. This judgement is based on assembling as many facts as possible regarding customer storage conditions, transit conditions, weather protection specified, age of material from date of final processing, and finally, definition of the rust appearance as to probable cause. The territory manager is expected to make such judgment and arrange disposition based on the facts assembled.

The customer is responsible for providing documented receiving inspection of all material. This inspection is suggested to protect the customer's interests and should include, but is not limited to, notes and recorded features such as:

1. Evidence of abnormal load shifting in transit.
2. Evidence of damage to packaging.
3. Evidence of the load being wet when received or having been wet prior to delivery.
4. Evidence that the carrier had not provided normal weather protection such as a tarpaulin shroud.

Unless the material is to be used immediately, the protective packaging should not be removed for a minimum of 72 hours from time of receipt, to allow the steel inside to reach ambient temperature. Failure to do so can result in condensation forming on the coil due to the change in temperature/humidity which may result in severe condensation rust. This is especially important when the package is received at an appreciably lower temperature than that of the storage facility.

TYPES OF RUST DAMAGE

1. Water Intrusion – If water intrusion from the edges is apparent, this is considered transit rust and the carrier (Worthington Steel or independent carrier) is responsible. Note that, with this condition rust may not appear directly on the coil edges due to increased air circulation/evaporation compared to the more rusted interior areas. If no exception to the coil condition is taken at the time of receipt, it becomes very difficult for Worthington Steel to help the customer in pursuing a claim with an independent carrier.
2. Storage Rust – Is accepted only within 90 days of the delivery date except when ordered dry (see "Dry Product Disclaimer"). This time frame also applies to blanket releases where material may reside in ready weight at Worthington Steel until a release is issued by the customer.
3. Condensation Rust – It is extremely difficult to determine the source of this type of rust. Knowledge of the customer's receiving and storage procedures is helpful in determining where the rust is originated.
4. Mill Processing Rust – Is always mill responsibility. This includes solution stains which is not rust but may be identified as such by the customer.

DRY PRODUCT DISCLAIMER (no oil or chemical treatment)

When product is ordered to this specification, Worthington Steel accepts no responsibility with respect to rust except under the following conditions:

1. Failure by Worthington Steel to comply with the customer's specified packaging instructions, assuming they meet recommended minimum weather protection standards.
2. Evidence that the rust damage is of Worthington Steel origin other than storage. (Storage rust is not considered to be of Worthington Steel origin when product is ordered dry). Examples of rust other than storage are as follows:
 - a. In well-defined and continuous pattern of streaks or pits. Mirror images may or may not be visible.
 - b. In elongated streaks appearing in random fashion. Mirror images are usually not apparent in this case.
 - c. In continuous bands or straight strips of rust.