

General Terms and Conditions of Sales

0. DEFINITIONS

In the present 'General Terms and Conditions of Sales' (hereinafter called 'GTC') the following words and expressions shall have the meaning ascribed to them below :

- 'SIDASTICO' or 'Supplier' means the company : Siderurgica Astico spa 44 Via Astico 36030 Fara Vicentino, Italy
- 'Client' or 'Buyer' or 'Consignee' means the buyer of Goods
- 'Products' or 'Goods' or 'Merchandise' mean the supply provided by SIDASTICO of steel in form of plates, coils, strips, trimmed bands and any other product related to the same.
- Proposal/quotation means a written document issued by SIDASTICO, with the scope to solicit a purchase order by the Client.
- Purchase Order means the order issued by the Buyer in favour of Supplier related to the supply of the Goods
- Order Confirmation means the definitive document issued by SIDASTICO to confirm the Supplier's Purchase Order
- Supply Agreement means the contract of supply of the Goods object of the Order Confirmation
- SIDASTICO and the Client shall be, collectively, named the 'Parties'

1. ORDERS AND EXECUTION OF THE CONTRACT:

- 1.1. These GTC are expressly accepted by the Buyer when SIDASTICO sends its proposal/quotation to the Buyer .
- 1.2. The Client acknowledges and accepts these GTC as the only terms and conditions regulating the purchase of Supplier's Goods
- 1.3. Each order issued by the Buyer in favour of SIDASTICO implies the acceptance, without exceptions, of these GTC.
- 1.4. In no case any general condition of purchase in any manner inserted, mentioned, quoted in the Client's correspondence and forms shall be considered as applicable in the supply of SIDASTICO's Products
- 1.5. Stock of Goods evidenced on proposal/quotation is not guaranteed and is subject to change without notice at any time.
- 1.6. Proposal/quotation is valid and effective only if the complete and definitive Purchase Order shall be sent by the Buyer to Supplier within 3 (three) days from the date of proposal/quotation or within any shorter deadline mentioned in the proposal of Sidastico.
- 1.7. Any and all technical specifications requested by the Client for the proper offer of Supplier and approved by Supplier must be an integral part of the Purchase Order issued by the Client. Any additional technical specification delivered by the Client after the issue of SIDASTICO's Order Confirmation shall not be considered valid unless subsequently and expressly accepted in writing by SIDASTICO
- 1.8. Upon receipt of SIDASTICO's Order Confirmation, the Client shall not be entitled to withdraw from the relevant supply
- 1.9. It is understood that the Client is solely and fully liable for the choice of the technical specifications and shall keep SIDASTICO harmless from any claim that any third party may raise in connection to wrong, mistaken, improper specifications. In no case Supplier may be held liable or responsible for any verbal or written comment or suggestion given in relation to the technical specifications, unless such a liability or responsibility be expressly agreed in writing as part of a collateral consultancy agreement.
- 1.10. The contract of supply is considered executed when SIDASTICO should send the Order Confirmation to Client

2. EXCLUSION OF CLIENT'S GENERAL CONDITIONS

- 2.1. The Client acknowledges and accepts these GTC as the only terms and conditions regulating the purchase of SIDASTICO's Products
- 2.2. In no case any general condition of purchase in any manner inserted, mentioned, quoted in Clients' correspondence and forms shall be considered as applicable in the supply of SIDASTICO's Products. Any modification or derogation to the these GTC should be agreed and duly signed by the Parties before the issuing of Order Confirmation, otherwise such

3. PRICES

- 3.1. Prices and currencies are those indicated in the Order Confirmation. Unless otherwise stipulated, the prices of the Goods neither include the VAT (Value Added Tax) amount nor other taxes, duties etc related with the Goods or the supply (hereinafter called as 'Taxes'). Any amount of Taxes in relation with the supply of the Goods shall be at Buyer's costs.
- 3.2. Should SIDASTICO grant a discount, it shall be applicable only for the specific supply for which the discount has been granted.
- 3.3. By no means and under no circumstance a delay in the confirmed delivery date will oblige SIDASTICO to automatically grant a discount on the confirmed selling price, regardless of any provision listed in the Purchase Order, unless such provision is confirmed in written in the Order Confirmation issued by SIDASTICO
- 3.4. Unless the prices have been expressly indicated in Order Confirmation as firm and fixed, SIDASTICO shall be entitled to increase the prices of the Goods not yet delivered, if the elements which determine the price shall be subject to an increase. By way of example and not excluding other circumstances, factors that could determine the price are: cost of raw materials, energy, goods that SIDASTICO purchases from third parties, salaries etc. SIDASTICO shall inform the Client of such increases as soon as they become evident.

4. TERMS, DELIVERY AND EXECUTION OF SIDASTICO'S OBLIGATIONS

- 4.1. Preparation of the Goods will be in accordance with the terms and conditions of the Order Confirmation, circumstances and force majeure permitting
- 4.2. The delivery date indicated in the Order Confirmation is only approximate and not essential. In any case, two weeks of grace period shall be applicable on any delivery date indicated by SIDASTICO.
- 4.3. In case of delay in the delivery of the Goods, the Supplier shall not be liable for any loss or damage of any kind whatsoever directly or indirectly caused by any delay in the delivery of the Goods or completion of the supply . Moreover in no event the Supply Agreement regulated by these GTC shall be automatically terminated in case of late deliveries, nor shall the Client be entitled to terminate the Supply Agreement in case of late deliveries
- 4.4. No penalties shall be applicable by the Client to SIDASTICO in case of late delivery of the Goods
- 4.5. The events which can prevent or delay the supply are, by way of example non exclusive of other assimilable events: strikes, insurrections, wars, locks-out, earthquakes, fires, floodings, atmospheric events, embargoes to import or to export, delays in deliveries by the suppliers of SIDASTICO, limitations of supply of energy, limitations on traffic circulations are expressly considered by the Buyer as force majeure events, for which SIDASTICO shall not be considered responsible in case of delay in the deliveries .
- 4.6. A tolerance in the actual shipping weight of plus/minus 10% on the ordered quantity for each ordered item must be accepted. The Goods shall be invoiced on the actual shipping weight as per weighting system of SIDASTICO, inclusive of the weight of wooden supports used for the packing and of any other packing material.
- 4.7. Prices offered are intended ex works at SIDASTICO's warehouse in Fara Vicentino, (VI) Italy as per Incoterms ® 2010, unless otherwise expressly mentioned in the Order Confirmation
- 4.8. In case of delay in the collection of the Goods ready for shipment, the Client shall bear all the expenses concerning the occupation of SIDASTICO's warehouses and yards. The risks of damage, deterioration and/or theft of the Products are to be borne by the Client from the initially agreed date of delivery thereafter.
- 4.9. The standard packaging included in the price of the proposal consists of bundles of weight ranging approximately from 2 metric tons to 4 Metric Tons each, packed in accordance to norm ASTM A700-05, pag.29, fig.61, stacked on loose wooden beams loaded on truck or container exclusively by the top with the use of overhead cranes. Any different special packaging, bundling weight and loading method, if available, will have to be required and priced specifically.
- 4.10. Unless otherwise specified in the proposal/quotation is referred to plates with mill edges cut to measure from hot or cold rolled coils, with inspection certificate (MTC) in accordance with EN10204-3.1 and with dimensional tolerances according solely to:
 - EN10029 cl. A for plates cut from by hot rolled coils in width 2500mm
 - EN10051 for plates cut from hot rolled coils in any other width
 - EN10131 for plates cut from cold rolled coils
- 4.11. SIDASTICO guarantees solely and exclusively the compliance of the Goods with the technical, physical and chemicals specifications listed in the UNI-EN / ASTM / ASME norms specified in the Order Confirmation and listed in the relevant Material Test Certificates issued by the producers of the materials. Any compliance to different norms or technical specifications shall be applicable only if previously requested in written by the Buyer and specifically approved in written by SIDASTICO.

5. TERMINATION OF THE ORDER

- 5.1. The Buyer shall not have the right to terminate all or any part of the Purchase Order unless agreed in written by SIDASTICO. In case of agreed termination, all the costs borne by SIDASTICO till the termination shall be paid by the Buyer plus a reasonable pre-estimated 'mark up' in favour of Supplier which shall not be inferior than 10 (ten) percent of all sustained costs.
- 5.2. Unless otherwise agreed in written by the Supplier, SIDASTICO shall be authorised to invoice to the Client all the Purchase Order amount .

6. TESTING AND ACCEPTANCE OF THE GOODS

- 6.1. Unless otherwise expressly agreed in written by the Parties during the negotiations phases of the Purchase Order and, in any case before the issuing of the Order Confirmation by SIDASTICO, the acceptance of the Products shall not require a preliminary acceptance test.
- 6.2. Should the Parties agree on the performance of an acceptance test, without specifying how to run the said test, the same shall be performed at SIDASTICO's premises and in accordance with SIDASTICO's procedures.
- 6.3. Should the Client require a test for performances that are not included in the standard specifications of the product according to the norms listed in the Order Confirmation and/or in the Material Test Certificate issued by the producer of the material, all the costs related to the test shall be borne by the Client, regardless of the actual result (pass/fail) of the test.

7. WARRANTY

- 7.1. SIDASTICO exclusively guarantees that at the date of delivery the Goods are in compliance with (i) the technical specifications provided by the Client and expressly accepted in the Order Confirmation by SIDASTICO (ii) the agreed standards specified in the Order Confirmation . In any case the Client shall not be entitled to refuse the Products or to require modifications thereof, should the inconsistencies with the said parameters be trivial and/or fall into the standard and/or agreed tolerances and allowances.
- 7.2. The warranty period is of 12 (twelve) months from the date of delivery
- 7.3. The warranty may be claimed by the Client only, whilst the Client's assignees or other third parties shall not have any direct claim against SIDASTICO
- 7.4. The warranty shall not apply in case of defects, damages or failure of the Goods resulting as a consequence of and/or from:
 - 7.4.1. improper storage, maintenance, installation, use, application;
 - 7.4.2. oxidation / rust
 - 7.4.3. operations beyond rated capacity;
 - 7.4.4. damages caused by accident, fire or other casualty or negligence not ascribable to SIDASTICO;
 - 7.4.5. failures resulting from unauthorised modifications or alterations of the Products;
 - 7.4.6. any damage, loss or consequence deriving from defects or non compliance of the Products caused by failure, deficiencies and/or mistakes in the information or technical specifications supplied by the Client;
 - 7.4.7. any other cause, not ascribable to SIDASTICO's negligence
- 7.5. In any case and under any circumstances, any form of use and processing of the Goods by the Client or by any other part shall be considered as acceptance of the Goods without reserve and shall waive all claims on the Goods.
- 7.6. During the warranty period, SIDASTICO shall repair or, at its sole discretion, replace free of charges the Products found not in compliance with the parameters of art. 8 of these GTC. SIDASTICO, at its sole discretion, may authorise the Client to return the defected Goods against the repayment of the price originally invoiced. If required by the Supplier, the replaced Goods should be returned, at Client's costs, to SIDASTICO's premises . Any further express or implied warranty as well as any reimbursement of costs or other obligations or liabilities, either direct or by way of redress are, to the extent permitted by law, expressly excluded and waived.
- 7.7. The Client shall, sub poena of forfeiture of the warranty, notify in writing by fax or by registered letter with return receipt of any non-compliance or discovered defects, within and not later than 8 (eight) days from the date of relevant discovery. The burden of proving the date of the relevant discovery lies with the Client . In no case claims for non compliance or for defects shall be accepted if received by SIDASTICO after 12 (twelve) months from the date of delivery of the relevant Products.
- 7.8. Any further express or implied warranty of fitness or merchantability as well as any reimbursement of costs or other obligations or liability either direct or by the way of redress including those for direct, indirect, incidental or consequential damages are, to the extent permitted by law, expressly excluded and waived.

8. NON-CONFORMITY OF THE GOODS

- 8.1. The compliance of the Goods with the parameters agreed in the Order Confirmation, will be assessed only by the criteria adopted and in accordance with the documents of SIDASTICO.
- 8.2. If only a part of the Goods are found defective, the Client is not authorized to refuse all the delivered Goods. SIDASTICO may suspend, at its sole discretion, all the other deliveries until the claim is fully settled.
- 8.3. Claims for excess or defect on the weights reported in SIDASTICO's invoices and transport documents shall be taken into considerations by SIDASTICO only if certified by a an independent and certified third party authority; all the expenses for these operations shall be borne by the Client
- 8.4. The differences of weight compared with the ones declared by SIDASTICO shall not be considered as a shortage/excess within the absolute allowance of 3% (threepercent)
- 8.5. The Buyer shall, sub poena of the forfeiture of the warranty, suspend immediately any processing on the Goods object of a claim.

9. LIMITATION OF RESPONSIBILITY

- 9.1. In no event shall SIDASTICO be liable to the Client, Client's assignee and/or any other third party for any claim, whether arising under contract, tort (including negligence), strict liability or otherwise, for: loss of revenue, loss of profit or loss of use of capital, downtime of facilities, standby of equipment/plant, standby of personnel, loss of business reputation or opportunities, loss of production, loss of product and/or for any special, in direct, incidental or consequential loss or damage of any nature arising at any time or from any causes whatsoever and whether or not foreseeable, even if caused or contributed to by the negligence or beach (statutory or otherwise) of SIDASTICO in relation to Supply Agreement
- 9.2. Notwithstanding any other provisions on the contractual documents, maximum cumulative responsibility of SIDASTICO towards Client for whichever reason shall not exceed the amount paid by the Client for the claimed Goods.

10. PICK-UP AND DELIVERY OF ORDERED GOODS

- 10.1. At the empire of the agreed delivery terms, but in any case not later than 10 (ten) days from receiving from SIDASTICO a advice of goods' readiness, the Buyer is obliged to pick up the Goods at the location indicated in the Order Confirmation (in case of ex works delivery) or to accept the Goods at the location indicated in the Order Confirmation (in case of DAP/ CFR/CIF delivery).
- 10.2. The above term elapsed, even in absence of a written advice of acceptance for the Goods from the Client, SIDASTICO shall be authorised to issue the relevant invoice; the terms of payment as indicated in Order Confirmation shall start to run; the relevant Goods shall be stocked in SIDASTICO's warehouse or yard, depending on availability of room, at Client's costs and risks, with forfeiture of warranty and without any responsibility for the Supplier. In addition, SIDASTICO shall be authorized to debit to the Buyer 1% (one percent) of the confirmed value of the order for each/part of week of delay as handling and stocking charges.

11. PAYMENTS AND DELAYS ON BUYER'S OBLIGATION

- 11.1. SIDASTICO's invoices shall be exclusively paid at its domicile.
- 11.2. Terms of payment accrue from the date indicated in invoices issued by SIDASTICO.
- 11.3. Should the Client delay or fail to comply with the payment terms, even if the Client is in delay with just one payment term, SIDASTICO shall be entitled to suspend all the pending deliveries, until full payment of the outstanding credits, even if related to other Supply Agreements and/or until receipt of proper guarantees for any future delivery. In case of delay on payment terms, Buyer shall pay to SIDASTICO for each/part of week of delay 0,5% (zero point five percent) calculated on the delayed amount.
- 11.4. Should Sidastico, based on coverage received from its Credit Insurance Company, have granted deferred payment terms in favour of the Client and should such credit coverage be reduced or cancelled in the time time between the date of the Order Confirmation and the date of delivery of the Goods, SIDASTICO shall be authorized to modify the payments terms to guarantee its credit (by way of example, switching from deferred payment to payment in advance before cutting and/or shipment, to irrevocable and confirmed L/C or requiring an additional bank guarantee). In addition SIDASTICO shall have the right to terminate all or any part of Supply Agreement for just cause.
- 11.5. In no event shall any claim on the Products, defect or non compliance of the Products, even when expressly acknowledged as such by SIDASTICO and/or delays of delivery of the Products give the Client the right to suspend the relevant payments and/or any other payment for whichever reason due to SIDASTICO (Solve et repete).
- 11.6. Notwithstanding any other provisions, SIDASTICO shall be authorized to terminate the Supply Agreement should the Client fail to provide for the payment within 15 (fifteen) days from receiving of notice to pay from the Supplier

12. SUPPLIER'S RIGHT TO TERMINATE THE SUPPLY AGREEMENT

- 12.1. SIDASTICO shall have the right to terminate all or any part of the Supply Agreement in the following circumstances:
 - the Buyer becomes insolvent, bankrupt or makes an assignment for the benefit of creditors, or a receiver is appointed for a substantial part of Buyer's assets;
 - the economic, monetary, industrial market conditions are subject to modifications that, in the evaluation of the Supplier, can modify the conditions of the markets.

13. SEVERABILITY

- 13.1. If any provision of these GTC shall be found invalid or unenforceable, the invalidity and unenforceability shall not affect the other provisions of GTC which shall remain in full force and effect. The Parties agree to attempt to substitute for any invalid or unenforceable provision, a valid or enforceable provision which achieves to the maximum possible extent, the objectives of the invalid or unenforceable provision.

14. RETENTION OF TITLE

- 14.1. SIDASTICO shall be the sole owner of the Products supplied under these GTC until full payment of the same effected by the Client.
- 14.2. The Client has the right to sell the Products in the ordinary course of business on the understanding that the proceeds of any such sale shall belong to SIDASTICO to whom the Client shall account such proceeds up to the concurrence of the full price due by the latter to the former for the supply of the Goods.
- 14.3. SIDASTICO shall have the right at any time to revoke the above mentioned Client's right of sale by written notice, if the latter is in default with respect to the payment of any sum due for more than 15 (fifteen) working days.
- 14.4. The Client's right to sell the Products shall furthermore automatically cease and payment of the Products become immediately due if a receiver is appointed over any assets or undertakings of the Client or a winding up order is made against it, or if the Client goes into a voluntary liquidation (otherwise than for the purposes of reconstruction or amalgamation) or causes a meeting or a composition with creditors, or commits any act of bankruptcy or if its assets are attached without any defence being raised.

- 14.5. Notwithstanding the moment of the actual transfer of title on the Products, all the risks relevant to any loss or damage of the Products are borne by the Client upon when Goods are ready for pick up in Supplier's warehouse as per ex works Incoterms ® 2010's provisions.
- 14.6. The Client shall co-operate with SIDASTICO in order to make this retention of title clause valid and binding also on third parties according to the relevant laws of the country where the Products are, finally, addressed. The relevant expenses shall be borne by the Client

15. EXCLUSION OF VIENNA SALES CONVENTION

- 15.1. The application of any of the provisions of the United Nations Convention on Contracts for International Sale of Goods (Vienna Sales Convention year 1980) to these GTC, or incorporation of such provisions into any contractual document, at any time is expressly excluded in all respects

16. APPLICABLE LAW AND EXCLUSIVE COURT'S COMPETENT

- 16.1. All agreements and disputes in connection with contractual documents/commercial relationships regulated by these GTC or the execution thereof shall be governed by Italian Law.
- 16.2. In case of disputes of any kind in connection with agreements, obligations, documents, contractual relationships regulated by these GTC or the execution thereof only the of Vicenza (Italy) shall be competent

The Client hereby states and declares to expressly approve, for the purposes and to the extent provided by article 1941 and following of Italian Civil Code, the following provisions of these GTC :

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| Item 1.9. | limitation of Supplier's responsibility for technical specifications |
| Items 2.1. and 2.2. | exclusion of Client's general conditions |
| Item 3.3. | variations of the prices for the Goods not still delivered |
| Items 4.2.-4.3.-4.4 | limitation of Supplier's responsibility in case of delay in delivery of the Goods |
| Item 5.1. | consequence of termination of the Order by the Client |
| Item 7.3. | Limitation of warranty in favour of the sole Client |
| Item 7.4. | exclusion of warranty for reasons not attributable to Supplier |
| Item 7.5 | exclusion of warranty in case of use or processing of the Goods |
| Items 7.6. and 7.8. | limitation of warranty to the sole repair or substitution of the defected Goods |
| Item 7.7. | forfeiture of warranty and burden of proof |
| Item 8.1. | criteria to determine the not-conformity of the Goods |
| Items 9.1. and 9.2. | limitation and maximum Supplier's responsibility |
| Item 11.3. | Suspension of deliveries in case of delay or failure to pay |
| Item 11.4. | modification of payment terms |
| Item 11.5. | Solve et Repete |
| Item 11.6. | right to terminate the Supply Agreement |
| Item 15.1. | exclusion of Vienna Sales Convention |
| Items 16.1. and 16.2. | arbitration clause and settlement of disputes |