

A. General Regulations

Conclusion of Agreement

1. Purchasing terms of the Buyer shall be binding on us solely in the event expressly accepted by us. Under no circumstances shall a lack of objection be deemed as approval from us.
2. All supplies and services, including those in the future, and including proposals, consultations and additional services, shall be in compliance with the following conditions. This also applies to all adjustment transactions.
3. Our offers shall be without obligation. Conclusions and other agreements – in particular to the extent that they deviate from our conditions – shall not become binding until receipt of our written confirmation.
4. Cancellations and interruptions of orders will not be accepted unless both parties agree. Any incurred costs shall be borne by the ordering party.
5. A rescission of the contract in any case shall be possible only in the event that completion activities have not been undertaken on our part; in particular, this shall apply to the beginning of production of an order.
6. In the event of supplies destined for other EU member states, the Buyer shall be obligated to disclose his excise tax identification number before the contractual agreement is concluded.

Prices and Terms of Payment

1. Prices shall be FCA from Linz works in accordance with INCOTERMS 2000.
2. All prices are net prices and shall not be subject to any deductions. They shall be for metric tons (whereas one ton shall be equal to 1,000 kg).
3. In addition to the prices included in this list, we calculate separately the valueadded tax at the rate applicable to sales in Austria.
4. Payment shall be made to the exclusion of offset and retention by the fifteenth day of the month following delivery ex works.
5. Bills discountable and taxed in proper form are accepted by us under protest of a preceding agreement and as payment for no more than 25 % of invoiced amounts.

Credit certificates for bills and checks shall be accepted under reserve of the received amount minus the delivery device with validation of the day on which we have access to the nominal value. Payments by note shall not be applicable as payments in cash.

6. In the event of delayed payment, interest shall be paid to us in the amount of 5 % above the base lending rate of the national bank of each receiving country, amounting to at least 9 % p.a.

7. All payments requested by us shall be due immediately independently of the duration of received and credited bills, in the event that the agreed payment conditions are not fulfilled or we receive information regarding circumstances that, in our opinion, reduce the creditworthiness of the Buyer.

Moreover, we shall then be free to either make outstanding deliveries subject to advanced payment or withdraw from the agreement after having granted a suitable grace period and claim damages for non-performance. Furthermore, we shall also reserve the right to forbid resale and processing of the delivered products as well as to request their repatriation at the expense of the buyer and cancel direct debit authorization in accordance with reservation of title as described in Item 6. The Buyer shall agree with retrieval of the delivered goods in such cases.

8. In the usual manner and to the usual extent we are entitled to common securities for outstanding debts, even to the extent that they are conditional or limited in time.

9. Based on authorizations granted to us by our Group companies, we shall reserve the right to accumulate any obligations entitled against the Buyer, regardless of the legal basis, as well as against any outstanding debts entitled against us or our Group companies, regardless of the legal basis. This shall also apply in the event that payments in cash are made from one source and payments in bills from another source, or in the event other services have been agreed on the account of performance. In some instances these agreements may only refer to the account balance. In the event the deadlines for outstanding debts differ, our outstanding debts shall be due at the latest by the deadline of our liability and with a deducted validation.

Reservation of Title

1. Guaranteeing the claim for a purchase price shall be a major item in the agreement.

2. All delivered goods shall remain our property (conditional goods) until satisfaction of all claims, including, in particular, the respective balance claims to which, regardless of the legal basis, we are entitled. This shall also apply in the event payments were made on specially defined claims. In the event of machining or processing, the seller shall be entitled to the thereby originated co-ownership share of the new product in relation to the value of the delivered goods at the value of the processed product. In the event the delivered goods are paired with other goods that do not belong to the buyer, the seller shall be entitled to the share of the originating co-ownership in relation to the value of the delivered goods to the value of the originated goods.

3. The Buyer shall only have the right to dispose of conditional goods in ordinary business transactions in accordance with the normal business conditions and as long as he is not at default; however, provided that he has agreed on a reservation of title with his customer and

that the outstanding debts of resale pursuant to Items 3 to 5 are transferred to us as payment. Our reservation of title does not extinguish in the event of a resale until payment of the purchase price is made by the client of the purchaser. The buyer shall not have the right to other disposal of the conditional goods.

4. The outstanding debts of the Buyer from the resale of conditional goods shall be assigned to us as payment. They serve as a guarantee in the same amount as the conditional goods. The buyer shall be obligated to attach a remark to his list of open items and, we shall reserve the right to notify the third-party debtor for coverage of this assignment.

5. In the event the conditional goods are sold by the buyer with other goods that are not sold by us, the assignment of the outstanding debt arising from the resale shall be valid in the amount of our invoice value of the applicable disposed conditional goods.

6. In the event the conditional goods are used by the buyer to fulfil an agreement for services or an agreement for work and materials, the outstanding debt arising from this contract according to Items 3 and 4 shall apply.

7. Pursuant to Items 2 and 5, the Buyer shall reserve the right to retract outstanding debt up to the time of our cancellation, which is possible at any time. We shall not make use of the right of withdrawal in cases other than those named in Item 5 regarding prices and payment conditions. In any case, the Buyer shall not have the right to assign outstanding debt. Upon our request he shall be obligated to inform his clients immediately of the assignment to us – to the extent we do not do this on our own – and to provide us the information and documentation required for collection.

8. Upon request of the Buyer, and in the event the value of the existing securities exceeds the secured outstanding debts by more than 10 %, we shall be obligated to release optional securities. The buyer shall inform us immediately of a restraint or other hindrances arising from a third party.

9. In the event the reservation of title or the assignment according to applicable law is not effective, the security that corresponds to the reservation of the respective title or the respective assignment shall apply. In the event involvement of the Buyer is necessary, the Buyer shall take all measures required for the substantiation and maintenance of such rights.

10. In order to avoid a restraint or other hindrances by a third party, the buyer shall be obligated to initiate all measures to do so (labelling, separate storage, quarantine storage, etc.). Nonetheless, in the event a restraint or other hindrances arising from a third party occur, the Buyer shall be obligated to inform us immediately of such a condition.

Place of Performance and Competent Court

Place of performance for all contractual obligations, particularly payment obligations of the buyer, shall be Linz.

B. Execution of Delivery

Supply Works

The delivery shall be executed from the production works in Linz.

Delivery Times and Dates

1. The specified delivery times and dates shall be without obligation, i.e. not legally binding. Hence any claims for damages referring to delivery times are excluded. However, we will attempt to comply with the delivery times and dates. The Buyer shall not be entitled to reject partial deliveries.

2. Irrespective of the regulations in Item 1, the delivery times begin with the date of our order confirmation. However, they do not commence before a total clarification of all details of the contract and the procurement of required official domestic and external certifications.

Delivery times and dates refer to the point in time of dispatch ex works. Compliance becomes effective at the time the shipment is defined as ready for dispatch in the event the goods cannot be sent on schedule for reasons not attributable to us. Irrespective of our rights arising from default of the Buyer, the delivery times shall be extended for the time frame that the buyer is behind schedule with regard to his obligations arising from this or other contractual agreements.

This shall also apply to delivery dates.

3. The foregoing Item 2 shall also apply in the event that delivery times and dates were expressly agreed on as fixed.

4. In the event of our default, the provisions of the contractual agreement shall apply a set forth in Item 5.

Force Majeure and Other Delivery Obstacles Events of force majeure shall entitle us to postpone the delivery for the duration of the obstacle in addition to a reasonable grace period or withdraw totally or partly from the contract with respect to the unfilled portion. Events of force majeure shall be strike, lock-out and other conditions that essentially complicate the delivery or make it impossible (such as bottlenecks in prematerials), no matter whether they occur at our company or at one of our sub-suppliers. The Buyer shall reserve the right to demand an explanation from us whether we intend to withdraw or deliver within a reasonable period of time. In the event we fail to present an explanation pursuant to the provisions of Item 5 of the agreement, the Buyer shall be entitled to withdraw from the contract.

Acceptance

1. Acceptance may be agreed upon exclusively in the supply works immediately after the readiness for acceptance is announced. The Buyer shall bear the personal acceptance costs. Technical acceptance costs are calculated according to our price list.

2. If no acceptance occurs, the goods are not accepted in time or incompletely, we shall be entitled to dispatch the goods without acceptance or store them at the expense and risk of the Buyer. The goods shall be regarded as contractually delivered in every respect on the date of

dispatch or storage.

Dimensions, Weights and Other Quality Characteristics

1. Deviations from dimensions, weight and other quality characteristics are permissible in the confines of the stipulated norm, such as EN, DIN, ÖNORM etc. or the effective exercise. If calculational weights are to be authoritative, the usual extra charge shall be charged for rolling tolerances and such.

2. Weights shall be determined by our weighmen and shall be applicable to the calculation. Proof of weight shall be incontestable by presentation of the weighing certificate. This shall also apply to machine-processed data. The entire weight of the shipment shall apply to the calculation regardless of the means by which the goods are delivered. No warranty is assumed for a piece or coil number or such indicated in an invoice. Differences to the individually calculated weights shall be distributed respectively.

Shipment and Transfer of Risk

1. In the event the goods are shipped on lorries owned by the receiver, the provisions of our pricelist shall apply even in the event another pricelist becomes applicable. In the event the goods are shipped to the wrong destination, the Buyer shall pay the amount of 10 % of the value of the goods in addition to the value of an excessive adjustment.

2. In the event that we assume the costs for transport, unloading and loading, we shall reserve the right to select the means of transport as well as the forwarder or freight carrier. For transport we calculate the freight price valid on the day of shipment according to the freight tables. The unloading and loading costs, including other costs, shall be invoiced according to weight class, type of goods and distance in compliance with national and/or international tariffs applicable at the time of the delivery. Additional charges for lengthy, heavy-weight and bulky materials, including incidental charges, shall be invoiced separately.

3. Goods released for dispatch shall be loaded immediately. In the event the goods cannot be shipped within seven days after having been released for dispatch, we shall reserve the right to send the goods at our own discretion or to store them at our own discretion at the expense of the Buyer and to invoice the goods as delivered from the time the goods were released for dispatch.

4. In the event the order does not specify otherwise, the goods shall be delivered in unpackaged condition and shall not be protected against corrosion.

5. Shipping route, means of transportation, means of protection as well as covered and special cars shall be charged separately, and we shall carry no liability whatsoever.

6. At the time the goods are transferred to the forwarder or freight carrier, at the latest, however, at the time the goods leave the works or storage unit, all risk is transferred in any case to the Buyer, including seizure. Unless specified otherwise, Incoterms 2000 as last amended shall be decisively applicable to the interpretation of the various sales clauses.

7. As far as customs duties and these equally standing charges are imposed, they go at the expense of the buyer.

Defects and Delivery of Non-Contractual Goods

Defects of goods, including missing warranted characteristics, are treated in accordance with the following regulations:

1. Decisive for the contractual condition of the goods is the point in time at which the goods leave the works.
2. After completion of agreed acceptance of the goods by the Buyer, notification of defects that could have been identified during the agreed type of acceptance, shall be excluded.
3. Claims issued by the Buyer shall arrive in written form within 14 days after arrival of the goods at their final destination. Defects that even upon a most careful inspection cannot be detected within this period shall be promptly notified upon detection, while immediately stopping any processing of the goods, but not later than three months after receipt of the goods. After expiration of this threemonth period, liability for defects, for any reason whatever, shall be excluded.
4. The Buyer shall bear the burden of proof for the condition that any defects were already evident at the time of transfer.
5. In the event of a justifiable defect within the time limit, we shall take back defective goods and deliver faultless goods in their stead. Instead, we may also replace the reduced value.
6. An availment pursuant to Section 933b of the regulations governing general civil law (ABGB) by the Buyer is expressly excluded.
7. In the event of our default with regard to replacement deliveries, the provisions of the agreement, Item 5, shall apply.
8. In the event the Buyer does not give us the opportunity to be convinced of the defect and does not immediately make available the rejected goods or samples, all claims shall become null and void.
9. Claims expire one month at the latest after written rejection of the claim by us.
10. Goods sold as subclassed material, so-called Ila material, do not entitle the Buyer to claims arising from defects.
11. The foregoing provisions shall also apply in the event of delivery other than contractual goods.

C. Liability

1. Our liability is based solely on the agreements entered into in the previous paragraphs. All claims not expressly allowed there, as well as claims for damages due to slight negligence, replacement of subsequent damages (in particular resulting from production disruptions or interruptions in operations), lost profit, non-achieved savings, loss of interest and replacement of pure financial loss shall be excluded, irrespective of the legal grounds. Exclusion, however, shall not comprise forced claims pursuant to the product liability act.

2. Liability shall generally be limited to services covered by our operating liability insurance. Furthermore, in the event of injury of contractual obligations, liability shall be limited to the value of the raw materials in the delivery in which the defect occurred.

3. The afore-mentioned limitations to liability shall not be applicable in the event of personal injury due to harm of life, physical integrity or the health of a human being.

4. In no way may prenegotiations lead to claims for damages against us.

D. Miscellaneous

Continual Delivery

Agreements involving continual delivery, respective documentation shall be delivered on time and in an organised manner. In the event of non-compliance, we shall reserve the right to classify and deliver the goods or withdraw from the unfulfilled portion of the contract and claim compensation after a certain grace period has not yielded the expected results.

Partial Delivery

We shall reserve the right to make partial deliveries. The additional costs shall not be borne by the Buyer in the event the costs were incurred by us. The price remains unaffected. Each partial delivery shall be considered as an independent business transaction.

Additional Quantities

If the contractual quantity is exceeded, we shall be entitled but not obligated to deliver the excess quantity.

Competent Court

The competent court shall be that with jurisdiction over the location of voestalpine Grobblech GmbH or the competent court located at the Buyer. The Buyer shall be obligated to provide voestalpine Grobblech GmbH upon request the existence of this agreement on the competent court.

Applicable Law

Austrian law, with the exclusion of its reference and collision norms (EVÜ, IPRG) and with the exclusion of the UN convention on commercial law of 1980, shall apply exclusively to the settling of any disputes with respect to the interpretation of these General Terms of Sale, including a lawsuit as well as circumstances not specified in these General Terms of Sale.

Severability

In the event any one or more of the provisions of these General Terms of Sale, in whole or in part, become invalid, all other provisions of these General Terms of Sale shall remain in full force.

voestalpine Grobblech GmbH

A company of **voestalpine** – Division Stahl

voestalpine-Strasse 3 , 4020 Linz • Telefon +43/50304/15-9260, Fax +43/50304/55-9260

e-mail: grobblech@voestalpine.com • internet: www.voestalpine.com/grobblech