

**GENERAL TERMS AND CONDITIONS OF SALE AND
DELIVERY
VOEST - ALPINE STAHL DONAWITZ GmbH & Co KG
Version April 2006**

1. General provisions

Unless expressly agreed otherwise in writing between the parties hereinunder, the present terms and conditions of sale and delivery shall apply to the present as well as to all future orders even if reference is not made to the same. Terms and conditions of purchase that are different shall not obligate us, even if we did not object to the same.

Our offers are subject to change without notice and are without obligation. All concluded orders and agreements shall become binding for us only following our confirmation in writing. Any alterations and annulments of orders placed shall require our consent in writing. This shall also apply to agreements by our agents. Notifications made by fax or telex shall fulfil the requirement of written form. Stored goods shall be subject to prior sale.

Any withdrawal from the Contract shall in any case only be possible as long as we have not yet taken action in its performance; action in its performance shall be regarded in particular as the start of production for a delivery.

All disadvantages resulting thereof shall have to be reimbursed.

The Buyer is obliged to disclose his VAT ID to us prior to signing the contract.

2. Prices

Unless stated otherwise, the list prices valid on the date of delivery shall apply, ex factory or storehouse, excluding packaging, loading and wagon provision costs.

3. Time of delivery

Stated times of delivery are subject to change without notice, i.e. they are not legally binding. Accordingly, claims for damages with reference to delivery periods shall be excluded. Purchaser shall not be entitled to reject partial deliveries and deliveries performed prior to the expiration of the delivery period.

4. Performance and shipping

Loading and shipping shall be at orderer's risk in all cases, even when delivery is free of charge. Our responsibility for a consignment shall expire within the terms of the 1990 Incoterms upon handing over the freight documents or, in the event of overland transport, upon delivery of goods to the railway or the carrier. Routing, means of transport and protection, which like goods vans shall be charged extra, are at our discretion under the exclusion of any liability. Purchaser's wishes, however, shall be considered to the extent as is possible. Goods reported ready for shipping shall be called for delivery by purchaser without delay. Otherwise, we shall be entitled to store the goods at the purchaser's risk and expense and to

charge the same as delivered ex works with immediate payability. Packaging shall be charged at cost price, and no refund shall be made when goods are returned. In the event of any damage or losses of goods in transit, consignee shall have driver immediately sign a statement on the facts of the matter in the case of transport by truck, immediately lodge a complaint with the carrier in writing about the damage to the goods and notify us of the same without delay. Consignee shall have an ascertainment of the facts performed when goods are transported by rail.

5. Provisions on workmanship

Unless agreed otherwise, the relevant norms, in particular the standard sheets as published by the Austrian Standards Committee, and, in the event of any lack of existing norms, the established customs of the trade shall be relevant for the performance as concerns quality, dimensions and weight. Unless weighing by the railway authorities has not been expressly agreed upon, the weight as determined in the supply plant and the number of pieces or metres as determined there shall be used as basis for the calculations. Total weight shall be used as a basis for the calculation of deliveries, which shall apply to any kind of means of transport. Any difference between the sum total and the established individual weights shall be divided among the same on a pro-rata basis. If as a result of the production process it is not possible to provide manufacturing with precise weights and pieces, surplus or short deliveries are reserved by us to the usual extent as compared with the ordered quantity.

6. Lasting orders and overruns of orders

The prerequisites for the conclusion of agreements on part shipments over a longer period of time are call-forward notices and respective specifications for approximately similar monthly quantities. If goods are not called off and specified in due time, we shall be entitled, following the expiration of a grace period, to specify ourselves and to deliver the goods. We shall also be free to cancel the outstanding remainder of the order and/or to demand damages for non-fulfilment. If the contractual quantity is exceeded by orderer's call-forward notices, we shall be entitled to deliver the excess amount at the daily prices applicable on the call-forward notice, but we shall not be obligated to perform the same.

7. Acceptance

If acceptance has been agreed upon, it can only occur at the supply plant immediately after the report concerning readiness for shipment and at purchaser's expense. If acceptance is not made, not performed in due time or not made completely, we shall be entitled to ship the goods without acceptance or to store the same at purchaser's risk and expense. The goods shall be deemed as having been duly delivered upon shipment or storage.

8. Liability for defects, warranty and damages

We give warranty for delivered goods insofar as we will accept against deduction or reimbursement the return free factory of items in which material or production defects have been clearly proven and thus exclude their useability. Notices of defects must be made without delay. They shall be deemed as having been made in due time when they are received by us in writing not later than within a period of eight days after receipt of delivery in the event of open defects and within a period of eight days after discovery in the event of latent defects, but not later than within a period of six months from delivery. Evidence of all defects must be given. On request, customer shall make available the goods rejected or adequate samples thereof, otherwise all claims for defects shall be void. Liability for defects, irrespective of their cause, shall be excluded following the expiration of the aforementioned periods. Claims for defects shall fall under the statute of limitations not later than one month following the written rejection of the notice of defect by us. Returns shall in all cases require our previous consent.

Any claims going beyond the above, in particular those concerning compensation of a direct or indirect damage and/or loss in profits, shall be excluded.

9. Terms of payment, seller's lien

Our invoices, which shall also include such on part shipments, shall be due for payment in cash without any deduction of discounts by the due date, i.e. the fifteenth day of the month following delivery. Bills of exchange shall be accepted only after special agreement and only in lieu of payment. Discounting costs, bank fees and any stamp duties shall be borne by purchaser.

If the payment is late, interest and other charges shall be invoiced. However, the minimum interest shall be based on a rate 3.5 % above the relevant interest rate of the European Central Bank.

Non-observance of any terms of payment or circumstances that may impair purchaser's creditworthiness shall lead to the immediate payability of all our accounts receivable. They shall entitle us further to perform any outstanding deliveries only against payment in advance, to rescind the agreement and to demand damages for non-fulfilment. The withholding of payments for alleged counterclaims of the orderer which are not recognized by us shall be prohibited, as is the offset with such counterclaims. We shall reserve the right, without considering the terms of payment as agreed on concluding the order, to demand collateral for the fulfilment of the payment obligations prior to shipping and, in the event of refusal, to cancel the order.

Any delivered goods shall remain our property until complete payment of all of orderer's financial obligations has been effected (conditional commodity). In the event of any working or processing we shall have the right to the thus originating share in joint ownership in the newly manufactured product at a ratio of the supplied goods to the value of the processed product. Purchaser may sell conditional commodities only in the ordinary course of business under its usual business terms and conditions, and only under the condition that purchaser also agrees with its customers on a seller's lien and the claims from resale devolve on us already at this point in lieu of payment. They shall be used to the same extent as collateral as the conditional commodity. Our seller's lien shall expire in the

event of resale only with the payment of the purchase price by purchaser's customer. Purchaser is not entitled to make any other disposals of the conditional commodity.

10. Force Majeure

Events of force majeure such as, among others, strikes, restrictions in operation, delays in transport, decrees made by state authorities, difficulties in the supply of our plants with electricity, raw materials, fuels, etc. shall entitle us to suspend deliveries for the duration of the obstructions and a reasonable start-up period, or to rescind the agreement concerning the portion not yet fulfilled. This shall not give rise to any claims for damages on the part of purchaser. Purchaser may demand a declaration from us whether we withdraw or wish to deliver within a reasonable period. If we fail to declare, purchaser may withdraw.

11. Place of performance and jurisdiction

For all agreements concluded with us, Leoben-Donawitz shall be the place of performance for the delivery, even if freight prepaid receiving forwarding stations or factory were agreed upon, and for payment.

Place of jurisdiction for all and any disputes shall be Leoben. At our discretion we may also refer the matter to any other court competent for the purchaser. Disputes concerning export deliveries to foreign enterprises shall be decided upon according to the rules of arbitration and composition proceedings of the International Arbitral Tribunal of the Austrian Chamber of Commerce (Vienna Rules) by one or several arbitrators appointed pursuant to said rules. The language to be used in the arbitration proceedings shall be German.

Any disputes arising that cannot be settled by mutual consent are subject to Austrian law with the exception of its conflict of law rules (International Private Law Act, European Convention on Contractual Obligations) and the United Nations Convention on Contracts for the International Sale of Goods as amended.

For Contracts translated into English, the English version shall be valid.

12. Validity of these terms and conditions

If individual provisions of the present terms and conditions of sale and delivery should be entirely or partly ineffective, then the remainder of the provisions of the present terms and conditions of sale and delivery shall remain in force.