

General Terms and Conditions

I. Conclusion of Contracts

The following General Terms and Conditions alone shall apply exclusively to any of our deliveries unless an explicit written deviation has been agreed upon. Conflicting purchase requirements on the part of the Buyer are thus explicitly vetoed; they shall not be included in any contract.

Any additional conditions shall be agreed upon mutually in writing.

All our present and future deliveries and services including other services shall be carried out exclusively on the basis of the following conditions.

Our offers are not binding. Illustrations, drawings and trademark specifications are not binding.

Contracts only become effective upon written confirmation of the Buyer's order by us or upon dispatch of the goods by us. Deviating additional agreements require our explicit written agreement.

II. Prices

Prices are net without deductions.

III. Delivery

1. Delivery is in principle ex works. Risk transfer to the Buyer takes place when the goods are ready for collection. If delivery has been agreed upon, all risks are transferred to the Buyer when the goods are ready for unloading at the agreed destination.

2. Any deviating delivery conditions are to be agreed upon separately. The currently valid version of INCOTERMS shall apply.

3. In principle, the delivery is considered to have been executed when notification of the readiness of the products for delivery is carried out in a timely manner.

4. If we notify the readiness of the goods for delivery, the Buyer has to accept the ready-to-pick-up goods immediately. Should the Buyer not accept immediately, all risks shall pass to the Buyer on notification of the readiness of the goods and the cost of the goods may be invoiced. After this date we are merely obliged to store the goods at the expense and risk of the Buyer. We are liable only in the case of gross negligence.

5. The currently valid EURO norms apply to the delivery. In case of doubt Austrian commercial usage shall also apply to international sales.

6. Unless a separate agreement has been made, the goods shall be delivered unpacked.

7. The cargo shall be secured by the carrier designated to deliver the goods in accordance with the provisions of VDI 2700-2702 (securing of cargo on road vehicles), whereby the necessary means to secure the cargo shall be provided by the carrier.

8. Quality and Environmental Management

Buyers, suppliers and other contractors of voestalpine Stahl Service Center GmbH are obliged to be familiar with the current versions of the company's General Terms and Conditions and its Quality and Environmental Management Policy, both of which are published on the web site: www.voestalpine.com/stahlservicecenter.

IV. Delivery time

1. In principle, delivery times are non binding for us.

2. The delivery time commences on the date of acceptance of the order by us but not before all the particulars of the order have been clarified in full. If the Buyer has to fulfil pre-conditions (e.g. provision of certificates, licences, clearances or down-payments), the delivery time commences after fulfilment of these conditions. This also applies if delivery times or dates were explicitly fixed by agreement.

V. Payment

1. Payment of the purchase price shall be made by the 15th of the following month net without deductions. Any deviating agreements shall be made in writing.

2. Non-conformance with our conditions of payment or the occurrence of circumstances which could impair the Buyer's creditworthiness results in all outstanding payments becoming due. Furthermore, we are entitled, if we so choose, to execute outstanding deliveries only against down-payment or against security respectively or to withdraw from the Contract and, if necessary, demand compensation for non-fulfilment of obligations.

3. If the Buyer is in default of payment, he is liable to pledge in our favour all accounts receivable by way of assignment, by liens or by suitable means acceptable to us.

4. If the Buyer is in default of payment, he is liable to pay default interest at the rate of 5% p.a. above the discount rate of the National Bank of the recipient country, however, a minimum of at least 9% p.a..

5. Retention or set-off against our claims is only admissible against counterclaims of the Buyer which are uncontested.

VI. Retention of title

1. Until the purchase price has been paid, the delivered goods shall be goods subject to retention of title and remain the property of voestalpine Stahl Service Center GmbH. The Buyer shall have the goods stored separately or have them labelled clearly.

2. All delivered goods shall remain our property until all claims due to us in particular claims relating to the balance of the account, on whatever legal grounds, have been completely settled. This also applies if payments have been made on receivables identified separately. If goods subject to retention are processed to a new product, the Seller shall acquire joint ownership in such new product in proportion to the value of the delivered goods subject to retention of title. Goods already paid for guarantee for outstanding accounts.

3. The Buyer is not entitled to dispose of the goods subject to retention of title, in particular, transfer by way of security and pledging as collateral. A general ban on assignment applies.

VII. Warranty

The date on which the risk (cf. IV.) is transferred to the Buyer is decisive for the contractual state of the goods. Complaints by the Buyer shall be made promptly in writing by fax or e-mail, at the latest within 14 days after receipt of the goods at the destination.

1. Notification of defects which, due to their nature, cannot be discovered on immediate inspection within this period shall be made immediately after detection, at the latest 3 months after receipt of the goods.

In the event of the occurrence of defects any processing shall be stopped immediately. After the expiry of this period we are not liable for defects for any reason whatsoever.

Should the defects have existed at the time of transfer of the goods, the burden of proof lies with the Buyer.

2. If the delivered goods are defective or if defects arise within the warranty period, the Buyer is entitled only to rectification or a replacement delivery within an adequate period. No additional claims, in particular concerning a price reduction, on whatever legal basis, may be made unless this has been agreed upon separately with us. Claims for compensation exceeding this are limited to immediate damages and the Buyer is only entitled to them if we or one of our agents is responsible for gross negligence or intent. There shall be no compensation for consequential damage.

3. If the Buyer does not give us the opportunity to convince ourselves of the defect, all claims for damages shall be dropped.

4. Claims relating to defects are barred by statute one month at the latest after written rejection of the notice of defects by us.

5. Degraded materials (IIa materials) and special items at exceptional prices may be examined by the Buyer before dispatch. The Buyer shall not be entitled to any warranty rights for degraded materials or special items.

VIII. Product liability

1. Unless otherwise stipulated as a mandatory liability in the Austrian Product Liability Act in the currently valid version we are absolved from liability.

2. If claims are made on a foreign buyer as importer resulting from the defectiveness of products delivered by us, Austrian law shall prevail for any regress claims.

3. Protective consequences for third parties arising from the Contract are excluded.

IX. Subject to own supply

Our obligation to deliver is subject to our being supplied properly and in good time.

Any circumstances which impede deliveries or make them impossible entitle us to postpone delivery for the period of the obstruction and for an adequate start-up time or to withdraw from the unfulfilled portion of the Contract.

X. Force majeure and similar events

Force majeure events which include inter alia strikes, major business disruptions and any circumstances which impede deliveries or make them impossible, irrespective of whether they occur to us or to one of our pre-suppliers, also entitle us to postpone the delivery for the period of the obstruction and for an adequate start-up period or to withdraw from the unfulfilled portion of the contract.

The Buyer may require us to provide an explanation of whether we intend to withdraw from delivery or whether we intend to deliver within a suitable period of time. If we fail to provide an explanation the Buyer may back out of the contract.

XI. Place of performance

The place of performance shall be A-4020 Linz.

XII. Place of jurisdiction, applicable law

The contract shall be governed by the substantive laws of Austria, to the exclusion of the UN Convention on Contracts for the International Sale of Goods (cf. Bundesgesetzblatt 1998/96).

For all disputes arising out of or in connection with the Contract concluded, in particular its effectuality, its materialization or its interpretation, the place of jurisdiction shall be the competent court at A-4020 Linz.

XIII. Reimbursement of costs

If the Buyer is in default he is liable to reimburse any out-of-court pre-process prosecution costs to voestalpine Stahl Service Center GmbH.

XIV. Partial nullity

If any provision of this contract should be or become unenforceable or should the contract be incomplete, this will not affect the remaining provisions. The unenforceable provision shall be amended by way of an optional norm, should a norm of this nature not exist, by commercial usage or by fair common usage at our premises. Any loopholes in the contract are to be amended in the same way.

This English translation is provided to your convenience only. In the event of discrepancies, the German original text shall prevail over the English translation.

August 2007

voestalpine

EINEN SCHRITT VORAUSS.