

## **GENERAL TERMS AND CONDITIONS OF PURCHASE**

of voestalpine PROFILFORM s.r.o. (the Customer), describing material and service purchasing from contractual partners (the Supplier)

### **0. Valid from November 1, 2012**

#### **1. Important Requirements**

Unless specified otherwise, the below described Customer purchase conditions shall be observed. Any Supplier conditions that may differ from our purchase terms and conditions, or which reach beyond the scope of our purchase terms and conditions shall apply only within the extent specified and approved by the Customer in written form. This shall apply also in situations when the applicable general business terms and conditions of the Supplier assume the opposite and the Customer will not express his disagreement with it.

#### **2. Orders**

Only orders issued by the Customer in written form, telefax or via email shall be valid. Other provisions need to be confirmed in written form to be accepted as valid. The order confirmation must specify any deviations from the order, which shall be deemed binding for both parties only if approved in written form by our party. Should the order not be confirmed within 5 business days after the order issuance, the order of the Customer shall be regarded as cancelled. The same shall apply if certain order deviations were not accepted by our party.

#### **3. Code of Conduct for business partners of voestalpine AG**

The Supplier is aware and accepts Regulations and Guidelines describing permanently and ethically correct conduct pursuant to applicable legal requirements and applicable to commercial activities, as well as those defined in the "Code of Conduct of voestalpine AG" and in the Code of Conduct for business partners of voestalpine AG".

The current form and valid text of these regulations are available at <http://www.voestalpine.com/group/de/konzern/compliance/>.

These regulations include mainly the following:

The Supplier is obligated to observe laws and regulations of the applicable legislation.

The Supplier is not allowed to limit free market competition and not to interfere with national and international antitrust laws.

The Supplier is not allowed to tolerate any form of active corruption activities (offering or providing benefits, bribery), also including passive corruption such as requiring or accepting various benefits. The Supplier is prohibited from accepting any of those unfair benefits specified above.

The Supplier is not allowed to offer employees or close relatives of voestalpine employees any gifts or personal benefits such as

invitations, provided that the entire value of the relevant event or benefit could evoke a feeling in the recipient

that the recipient is bound to provide a favour or additional service in return. Whether such an invitation represents the situation described above

shall depend on individual circumstances of each such case. Small gifts or refreshments served during casual or regular business events or based on common habits are always allowed.

Further, the Supplier is allowed to offer to employees who use services or purchase products of the Supplier

for their own private purposes, regular market price or possible certain discounts or other benefits only if such discounts or benefits are available to all voestalpine employees.

The Supplier is obligated to observe provisions specified in the European Convention on Human Rights and in the UN Charter, and to respect and honour human rights as fundamental values. This shall mainly apply to

prohibition of child or forced labour, and equal treatment for all employees

and the right to union representation and mutual and collective negotiations.

Further, the Supplier agrees to accept liability for health and safety of his employees.

The Supplier shall adequately support compliance with the provisions specified in this Code of Conduct applicable to his business partners.

The Customer reserves the right to inspect whether the Code of Conduct is observed - after prior notification of such inspection at the Supplier, while respecting the adequate scope of such inspection and legal interests of the Supplier. Should the Supplier seriously violate provisions specified in the Code of Conduct, the Customer shall have the right to withdraw from this contract immediately.

#### **4. Prices**

The price includes packed goods, transportation to the delivery destination (= delivery address / place or address of performance), after unloading and should always represent a fixed price, which cannot be

increased due to any reasons.

## **5. Packaging**

The Supplier is obligated – except where special regulations require otherwise – to pack the shipment using usual packaging methods, while making sure that the packaging serves its intended purpose. Loading tools and packaging shall be transferred – unless special requirements apply – over to the ownership of the Customer. Returned orders shall be realized at the Supplier's expense and risk.

## **6. Delivery and delivery schedules**

Delivery schedules shall be regarded as fulfilled after the goods have been successfully delivered together with the necessary documentation (for example technical documentation, shipping documents, test certificates). Should the goods be delivered earlier, the invoice payable and due date shall still commence on the originally agreed delivery date. Should the goods be delivered earlier without prior approval of the Customer, the Customer reserves the right to request the Supplier to reimburse him for extra costs in connection with the early delivery (warehousing costs, etc.). Predictable delays in deliveries together with the explanation for the relevant delay must be reported to the Customer as soon as possible in an effort to reach an acceptable solution. This clause above shall not affect other rights of the Customer.

Voestalpine PROFILFORM s.r.o. reserves the right to reject defective documentation or materials. The Supplier is obligated to inform the Customer about potential sub-suppliers and have these sub-suppliers approved by voestalpine PROFILFORM s.r.o.

## **7. Shipping**

The Supplier shall ship the goods based on individual shipping orders issued by the Customer, and/or based on applicable regulations or requirements issued by Customs authorities. Should there be no special shipping requirements, the Supplier is obligated to select the most suitable shipping method based on the value of the goods and based on the shipping method.

A delivery missing the necessary shipping documents or any other required documentation will not be accepted as complete and will be treated as such, and will be stored at the Customer's warehouse at the Supplier's expense.

Should third parties be involved in the process (freight forwarding or subsidiary company), the Supplier is obligated to make sure that these companies observe shipping requirements of the Customer.

Notification about the goods delivery (shipment documents, bill of lading, delivery report) must be sent to the Customer via email or telefax immediately after the shipment is sent out. One pair of copies must be attached to the shipping documents. If the goods are shipped via air or via postal service then these documents must be attached to the actual shipment. Loading documents, bill of lading and other shipping documents addressed to the recipient, as well as packaging units (labels, marks) must clearly show the entire order number and the destination (= delivery address / performance address). All shipping documents, invoices etc. must show the overall weight of the goods (gross and net weight). If the relevant deliveries are shipped from abroad, the invoice (2 copies) must also be attached as well as additional and valid documents such as a certificate about the goods movement, certificate of origin, etc., or these documents must be added/attached to the shipping documents.

Customs clearance inspection at the delivery location shall be done by the Customs Office in Brno. Shipping insurance shall be paid by the Customer only if specifically agreed between both contracting parties. Additional expenses in connection with the order – which are not specified in the applicable order, shall be paid by the Supplier.

Damages, risks and expenses that occurred due to failure to observe Customer shipping requirements or due to failure to observe Customs or other administration requirements shall be paid by the Supplier. The Customer shall have the right to postpone the invoice payable and due date while the applicable shipping requirements are not being observed.

## **8. Guarantee / warranty**

Czech legal provisions specifying goods defect liabilities and warranty policies shall apply, including the below specified modifications.

Unless specified otherwise, the Supplier is fully responsible for making sure that the delivery or fulfillment complies with all requirements specified in the applicable order and with all legal regulations and standards. Further, the Supplier is responsible for making sure that the delivery still complies with all the above requirements for two years after commissioning or after the goods have been put in use. The Supplier is also responsible for ensuring that all delivered goods, components and outputs that were subcontracted and not produced by the Supplier will comply with the necessary requirements and parameters.

Regardless of other legal options, even if it concerns an insignificant or removable defect, the Customer shall have the right to request the Supplier to provide additional delivery, removal of the defect free of charge, or to request an adequate discount from the purchase price, or the Customer may choose to have the defect removed by a third-party or, finally, the Customer may choose to withdraw from this contract due to defective delivery. The clause above shall not exonerate the Supplier from other liabilities and responsibilities.

When the relevant defect is removed, a new warranty period shall commence.

A claimed defect shall be regarded as submitted in the following situations

- a) in case of visible defects, within six weeks after the delivery was accepted and handed over
- b) in case of hidden defects, within six weeks after the relevant defects have been discovered

In any case, hidden defects may be claimed within 36 months after the delivery was handed over. Defects discovered on goods that remain packed until they are actually used shall be considered hidden defects. Without the need for any prior notification, the Supplier is obligated to hand over together with the goods the necessary storage and operational requirements; otherwise the Supplier will be held responsible for damages that occurred due to failure to follow the applicable requirements and regulations.

#### **9. Invoicing**

Invoices must be delivered after the relevant goods or fulfilment were properly delivered.

If the delivery is domestic, the invoice must also show the applicable VAT in %, as well as the actual amount of the VAT.

All invoices or any other individual tax documents must be delivered during the month when the relevant delivery occurred, but no later than on the 5th business day of the next following month.

#### **10. Payment**

Unless specified otherwise, we shall initiate the relevant payment within 45 days after the goods and the relevant invoice were properly delivered.

The Customer shall have the right to include his receivables into the Supplier's obligations payable and due to him.

Transfers of receivables payable to the Customer shall only be possible if the Customer approves it.

Goods sent as "cash on delivery" orders will be accepted only if previously agreed.

Customer's claims allow the Customer to withhold payment for the relevant invoices. Initiation of a payment shall not be regarded as automatic acceptance of the correctness and completeness of the delivery and therefore, it shall not be understood as a waiver to any of our rights to submit claims for defective deliveries or to claim reimbursements for damages due to defective deliveries.

#### **11. Orders, ordering requirements and confidentiality regulations**

All annexes attached to orders issued by the Customer (e.g. drawings, plans, samples, models, etc.) shall remain the property of the Customer and may not be used for any other purposes, or made available to unauthorized persons without prior written consent of the Customer. Copying or reproduction of such documents is allowed only if it is required by operational needs and while observing applicable copyright laws. Without the need for any prior Customer request, these materials must be returned back to the Customer together with the applicable orders when the relevant order is completed. The Supplier is obligated to treat orders and other relevant documents and essential information as a business secret of the Customer. The Supplier may use information relevant to this business relationship with the Customer for promotional purposes only after prior written consent of the Customer. Potential sub-suppliers must also be contractually bound to observe the above specified requirements. No reward will be paid for production of plans, offers etc. Orders will not be sent back to the Supplier.

#### **12. Patents, protection of industrial designs, trademarks and copyrights**

In case of patent disputes and based on applicable regulations specifying protection of industrial designs, trademarks and copyrights relevant to good deliveries and/or applicable to fulfilments, the Supplier is obligated to reimburse our company for damages or expenses acquired in connection with court proceedings. Further, the Supplier shall guarantee that our company may use the delivered goods and/or completed fulfilments without any restrictions and limitations.

#### **13. Damage liability**

The Supplier is liable for damages that occurred due to deliveries of defective goods. No exonerations from liabilities and obligations due to defective fulfillment delivered by the Supplier shall apply.

#### **14. Place of performance**

The place of performance is the applicable delivery location specified in the order (= delivery address / performance address). The Supplier shall deliver the ordered goods at his own risk and expense, unless specified otherwise.

#### **15. Jurisdiction**

The place of the applicable and valid jurisdiction is the city of Brno, whereas we reserve the right to select any other optional juridical location applicable to the Supplier. Legal relations specified herein shall be subject to applicable Czech laws.

The occurrence of disputes does not allow the Supplier to postpone or interrupt deliveries and/or fulfilments waiting for processing.

#### **16- General provisions**

Should any contracting parties stop making payments or should a proposal to begin with insolvency proceeding covering assets of either party be issued, or should any extrajudicial arbitration proceedings be initiated, the other contracting party shall have the right to withdraw from this contract due to a failure of the other party to fulfill part of this contract.

Should any provision specified and accepted herein be or become invalid, the validity and enforceability of the remaining provisions shall remain unaffected. Both contracting parties agreed to replace such invalid provision with a modified provision that will be as close as possible to the purpose and intention of the original invalid provision.