

General Terms and Conditions of Steeltec Ltd.

As at: January 2015

01.0 General

- 01.1 The Agreement shall enter into effect upon receipt of the duly signed confirmation from the supplier Steeltec Ltd. that it accepts the order (order confirmation).
- 01.2 Offers not containing a deadline for acceptance shall not be binding.
- 01.3 The legal relationship between the Supplier and the Ordering Party shall be governed exclusively by these Terms and Conditions and any other agreements. Differing terms shall not apply unless the Supplier has expressly consented to their application. The following terms shall also apply if the Supplier, while being aware of the Buyer's terms that contradict or differ from these, provides its deliverables to the Buyer without reservation.
- 01.4 In order to be valid, any agreements and relevant declarations made by the contracting parties shall be in writing.
- 01.5 These General Terms and Conditions shall also automatically govern any future business with the Ordering Party, even if the Supplier does not specifically indicate the binding nature of these Terms and Conditions to the Ordering Party.
- 01.6 Specifications contained in catalogues, prospectuses, circulars, technical documentation, descriptions, diagrams and similar information are only approximate. They shall only be binding if expressly referred to in the Supply Agreement.
- 01.7 In the event that the content of any provision in these General Terms and Conditions is either not possible or is illegal, the contracting parties shall replace such provision with another that comes as close as possible to the intended provision, and is permitted by law.

02.0 FCA delivery clause

The INCOTERMS 2020 "free carrier" delivery clause shall apply to this Agreement, provided nothing in the Agreement specifies otherwise.

03.0 Prices

All of the Supplier's prices shall be deemed to be "free carrier" (INCOTERMS 2020) in freely disposable Swiss Francs unless otherwise agreed, and shall be discretionary and not binding. Value-added tax is not included in any prices, and will be indicated separately on invoices.

04.0 Payment terms

- 04.1 The purchase price shall be due on the date of delivery of the goods at the place of performance, and is to be paid within 30 days, calculated as of the date of the invoice, with no deduction for any discounts, expenses, taxes and fees of any kind. In the case of partial deliveries, payment of the cost of the part delivered shall be due and payable. The Supplier shall have the right to determine to which of its claims incoming payments shall be applied.
- 04.2 If payment is not made within the time allowed for payment the Ordering Party shall be in default, without a special reminder needing to be sent. Default interest shall be based on the standard rate of interest for short-term loans at the place of registered office of the Supplier. The rate shall be a minimum of 5%.
- 04.3 The purchase price may not be offset against any statute-barred or disputed counter-claims. The Ordering Party may not hold back any payments based on any claims by it that are disputed by the Supplier. The Ordering Party shall only have a right of set-off if its counter-claim is undisputed or has been conclusively established by law.
- 04.4 In the event that the Ordering Party is in arrears with a payment for any reason, or if the Supplier has good reason to fear, based on an event that occurred following conclusion of the Agreement, that it will not receive payment from the Ordering Party in full or when due, the Supplier shall be entitled, without limiting its right to legal recourse, to suspend any further fulfilment of the order, and to hold back any deliveries ready to be sent until new payment deadlines and new terms and conditions for payment and delivery have been agreed, and the Supplier has received sufficient security. If the parties are

unable to come to such an agreement within a reasonable period of time, or if the Supplier does not receive sufficient security, the Supplier shall have a right to withdraw from the Agreement and claim damages.

- 04.5 In the event that the Ordering Party becomes insolvent, all account balances shall become due, and may be called in immediately, notwithstanding any agreed deadlines. The Supplier shall have the right, in this case, to suspend or rescind all delivery obligations.

05.0 Inability to deliver

In the event that circumstances arise that are outside the control of the Supplier, which render it impossible for the Supplier to complete a delivery, the Supplier shall be released from its obligations under this Agreement. This shall not be grounds for any claim by the Ordering Party for damages.

06.0 Delivery deadlines and dates

- 06.1 Delivery deadlines and dates shall only be considered approximate unless promised by the Supplier in writing. Compliance with any delivery deadline shall be subject to the Ordering Party meeting its contractual commitments.
- 06.2 The delivery deadlines shall commence on the date of conclusion of this Agreement, but not before clarification of all details with respect to performance, and procurement by the Ordering Party of any required certificates.
- 06.3 The goods shall be deemed delivered within the deadline if they leave the plant on or before the delivery date, as well as upon notice that the goods are ready to be shipped, if they cannot be shipped in time due to no fault on the part of the Supplier.
- 06.4 Delivery deadlines shall be extended, as appropriate, if obstacles to a timely delivery arise that the Supplier, despite having used due diligence, cannot prevent, such as epidemics, mobilisation of troops, war, riots, major breakdowns, accidents, industrial conflicts, delayed or incorrect delivery of raw materials and semi-finished products, measures on the part of authorities, etc.
- 06.5 If timely delivery of the goods is not possible due to reasons for which the Supplier is not responsible, the goods shall be invoiced and stored by the Supplier at the expense and risk of the Ordering Party.
- 06.6 The Ordering Party shall have no rights or claims due to any delays in deliveries or services other than those set out in this clause. This limitation shall not apply to any illegal intent or gross negligence on the part of the Supplier, however it shall apply to any illegal intent or gross negligence on the part of any auxiliary support staff.

07.0 Warranty of quality

- 07.1 The Supplier warrants that any goods delivered shall possess the contractually agreed and/or customary characteristics, and that they do not contain any defects which significantly impair their value. This warranty shall remain in effect until expiry of the warranty period at the latest.
- 07.2 The following documents, in the sequence they are listed, shall apply to determine the condition, dimensions and weight of the goods delivered:
- Agreement
 - Factory standards of the Supplier
 - Standards
- 07.3 The Supplier shall be authorised to deliver amounts over or under the specified delivery amount to the extent of 10%.
- 07.4 The date pursuant to clause 06.3 shall apply with respect to the contractually agreed condition of the goods.
- 07.5 The Supplier gives no warranty in respect of any goods that are sold as degraded.

08.0 Inspection and approval of the goods

- 08.1 The Ordering Party shall inspect the goods at the place of destination immediately upon receipt, and give notice by way of letter, fax or e-mail of any obvious defects noted, within 14 days of delivery of the goods, and shall notify the Supplier of any missing units and any

- underweight, otherwise the goods shall be deemed approved, subject to clause 09.2.
- 08.2 The Supplier shall be notified immediately of any hidden defects discovered no later than three (3) months following receipt of the goods at the place of destination, otherwise the goods shall be deemed approved.
- 08.3 After 24 months, all claims by the Buyer under the warranty for defects in quality are time-barred (Art. 210 Par. 1 Swiss Code of Obligations). The limitation of actions period for defects in quality begins with the delivery of the goods pursuant to the "FCA" delivery clause (INCOTERMS 2020).
- 09.0 Clarification in the event of notice of defects**
- 09.1 In the event that the Supplier receives notice of a defect, the Supplier shall immediately verify its accuracy. For this purpose, the Ordering Party shall provide the Supplier with an opportunity to verify the defective goods first-hand at the location where the goods were delivered. Upon request, the Ordering Party shall make the defective goods, or samples of same, available to the Supplier. Any returns shall require the approval of the Supplier.
- 09.2 The Ordering Party shall not have any claim for liability if it fails to comply with the obligations in clause 08.1.
- 09.3 Any defects due to improper handling, storage, working or processing, excessive use of the goods by the Ordering Party, and any other reasons for which the Supplier is not responsible, shall not be grounds for any liability claim against the Supplier.
- 10.0 Liability**
- 10.1 If a notice of defect is justified, and was given in a timely and proper manner, the Supplier shall take back the goods in question and deliver in their place goods that are in good working order. The Supplier may instead refund the loss in value. The Ordering Party shall have no right of conversion.
- 10.2 The Supplier shall have no further contractual or non-contractual liability for damage including, but not limited to, consequential damage.
- 10.3 The Ordering Party shall be fully liable in relation to third parties due to any event causing damage or loss in connection with the delivery. In the event that a claim is made against the Supplier due to such an event, the Supplier shall have the right of recourse against the Ordering Party for all expenses. The Ordering Party shall be excluded from having any right of recourse against the Supplier pursuant to Arts. 50 and 51 of the Swiss Code of Obligations.
- 11.0 Title to goods and tools**
- 11.1 Until payment in full of the purchase price and satisfaction of any other claims that the Supplier has against the Ordering Party, the following shall apply:
- The Supplier shall retain title to the goods delivered.
 - Once the Agreement has entered into effect, the Ordering Party shall allow the Supplier to have the retention of title registered in a public register or other record in the appropriate form, and in compliance with any relevant national laws, and to fulfil all formalities relating to same at the expense of the Ordering Party.
 - As long as title to the goods is retained, the Ordering Party shall be responsible for maintaining the goods and for insuring them in favour of the Supplier against theft, damage due to breakage, fire and water, and against other risks. Furthermore, the Ordering Party undertakes to take all measures to safeguard all aspects of the Supplier's retention of title.
 - The Buyer is entitled to process and treat, compound or mix the delivered goods that are owned by the Supplier as part of its regular business operations. In order to secure the Supplier's reservation of title, the latter acquires co-ownership of the items created through processing, treating, compounding or mixing, which the Buyer hereby assigns to the Supplier. The Buyer is obliged to store the items subject to the co-ownership of the Supplier at no charge. The share of co-ownership is determined according to Art. 726 and 727 Swiss Civil Code.
 - The Buyer is further entitled to resell the goods in Switzerland against cash payment or subject to reservation of title. In order to secure its reservation of title, the Buyer assigns all of the claims it has from the resale of the goods with ancillary rights, irrespective of whether the goods were further processed or not. The buyer is entitled to collect the claim assigned. The Buyer's rights pursuant to the aforementioned provision may be revoked by the Supplier if the Buyer does not properly fulfill its contractual obligations to the Supplier. These rights shall lapse even without explicit revocation if the Buyer suspends its payments more than just temporarily.
- At the Supplier's request, the Buyer must immediately report in writing to whom it has sold the goods owned or co-owned by the Supplier, and what claims it has from the resale. Furthermore, it must provide the Supplier with certified documents concerning the assignment of the claims, at no charge.
 - The Buyer is not entitled to other disposition over the items subject to reservation of title or co-ownership of the Supplier, or over the claim assigned to the Supplier. Liens or other impairment of the rights to items or claims belonging in whole or in part to the Supplier must be reported by the Buyer to the Supplier immediately. The Buyer bears all costs that must be expended to remove the access by third parties to items that are subject to reservation of title or co-ownership of the Supplier, unless these are paid by third parties.
 - In the event of delay in payment or other culpable violation of essential contractual obligations by the Buyer, the Supplier is entitled to demand the surrender of the items subject to reservation of title or co-ownership of the Supplier. Should the Supplier make use of this right, rescission of the contract shall be assumed only if the Supplier expressly states this.
 - The application for the opening of bankruptcy proceedings entitles the Supplier to rescind the contract and to demand the immediate return of the delivery.
- 11.2 Any tools required to manufacture the goods shall remain the property of the Supplier, even if the cost of the tools was paid in full or in part by the Ordering Party.
- 11.3 The retention of title to goods destined for export shall be governed by the laws of the country of destination.
- 12.0 Packaging**
- Pallets and containers shall be unloaded promptly and returned to the forwarding company or exchanged.
- 13.0 Exclusion of any further liability on the part of the Supplier**
- 13.1 All cases of breach of contract and the legal consequences thereof, as well as all claims, to which the Ordering Party may be entitled, irrespective of the legal basis on which they are made, shall be conclusively settled pursuant to these Terms and Conditions. In particular, the Ordering Party shall not make any claim for compensation for damage or loss, reduction in value, rescission of or withdrawal from the Agreement not expressly specified in this Agreement. Under no circumstances shall the Ordering Party be entitled to claim for compensation for damage or loss not caused directly to the goods delivered, i.e. the Ordering Party shall not be entitled to claim for compensation due to any production stoppage, loss of use, loss of orders, lost profits, or any other direct or indirect damage or losses. This limitation of liability shall not apply to any illegal intent or gross negligence on the part of the Supplier, however it shall apply to any illegal intent or gross negligence on the part of any auxiliary support staff.
- 13.2 In all other respects this limitation of liability shall not apply if it is in contravention of any statutory requirement.
- 14.0 Applicable law**
- In addition to these General Terms and Conditions, **substantive Swiss law** shall also apply, to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980.
- 15.0 Jurisdiction**
- The parties agree that the place of jurisdiction for any indirect or direct disputes arising out of or in connection with business between them shall be the registered office of the Supplier. This notwithstanding, the Supplier shall have the right to**



Member of Swiss Steel Group

commence legal action against the Ordering Party at
the place of its registered office