

**DUFERCO DANISH STEEL A/S**

**General Conditions of Sale and Delivery**

**I. Application**

1. These General Conditions of Sale shall apply to all present and future contracts in regard to deliveries and other services. In case of direct sales to end-users, the producer's conditions as laid down in its price list shall apply in addition to these conditions. The Buyer's purchase conditions shall not be binding even if we do not expressly object to them again after their receipt.
2. Our offers are not binding to us. Oral agreements, promises, assurances and guaranties made or given by our sales staff shall not be binding unless confirmed by us in writing.
3. Any trade terms shall, in cases of doubt, be interpreted according to the Incoterms as amended from time to time.

**II. Prices**

1. Unless otherwise agreed to, our prices are based ex works or ex our warehouse plus freight, VAT and any import duties.
2. Should duties and taxes or other extraneous expenses included in the agreed upon price change or be added later than four weeks after the conclusion of the contract, we shall be authorised to modify the price relative to the respective change.
3. In case of direct sales to end-users we shall be authorised to modify the agreed price also in such cases where and in so far as the price - or any part hereof - of the producer assigned with the delivery changes.

**III. Payment and Set-Off**

1. Unless otherwise agreed, payment shall be made on the 15<sup>th</sup> day following the month of delivery. Where we, in accordance with the contractual terms, deliver to a place other than the place of performance, the goods shall be considered as delivered on the day where we hand them to the carrier or to any other person charged with their transport or when we notify the Buyer of their readiness for loading.
2. Payment shall be made without cash discounts so that we can dispose of the sum on the due date. Any payment transfer costs shall be borne by the Buyer. The Buyer may retain or set off any counterclaims only in so far as his claims are undisputed or have become legally binding.
3. Should the Buyer default in payment, he will be liable to pay interest at 8 %points above the basic interest rate, unless higher rates have been agreed upon. We reserve the right to claim additional damages resulting from late payment.
4. Should it become evident after the conclusion of the contract, that payment is jeopardised by the Buyer's lack in financial means, or should the Buyer be in default with a considerable portion of the amount due or should other circumstances arise which show a material deterioration in the Buyer's financial position after the conclusion of the contract, we shall be authorised to make use of rights under § 321 BGB (German Civil Code) and to make due any and all of our non statute-barred accounts receivable resulting from the same legal relationship.
5. Any statutory rules regarding the Buyer's default in payment shall apply.

**IV. Delivery Times**

1. Our commitment to deliver is subject to our correct and timely self-delivery and – in cases of imported goods – additionally to the receipt of any surveillance documents and import licenses, unless we are responsible for the deficient or late self-delivery.
2. Any confirmation as to delivery times shall only be approximate. Delivery times shall commence with the date of our order confirmation and are subject to the timely clarification of any details of the order as well as of the fulfilment of any of the Buyer's obligations, e.g. to produce official certifications, to provide letters of credit and payment guarantees or to pay agreed instalments.
3. Any agreed delivery time shall be considered to be met if and in so far the goods have left the works or our warehouse at such time or date. If and in so far the goods fail to be despatched at the agreed time for reasons not attributable to us, the agreed delivery time shall be considered to have been met at the day on which the goods are notified to be ready for loading.
3. Within events of force majeure we shall be entitled to postpone deliveries for the period of the impediment and for a reasonable time necessary for adaptation. The same shall apply to such events which arise during prevailing delays. Force majeure shall include measures affecting currency, trade policy and other governmental acts, strikes, lockouts, operating shutdowns not caused by us (for example fire, machinery and rolls breakdown, deficiency in raw material or energy), obstruction of traffic routes, delay in customs/import clearance, as well as any other circumstance which, not due to our fault, either substantially jeopardises our deliveries and services or makes them impossible for us to fulfil, no difference whether such circumstances will affect us or our supplier(s). Should, in consequence of the aforementioned circumstances, the performance of the contract become unreasonable to fulfil to one of the contractual parties, such party may then declare the contract avoided.

**V. Retention of Title**

1. All goods delivered to the Buyer shall remain our property (Reserved Property) until all of the Buyer's accounts resulting from the business relationship with him, in particular any account balances have been settled. This condition shall apply to any future as well as any conditional claims including accepted notes and such cases where the Buyer will affect payments on specifically designated claims.
2. With regard to processing or manufacturing of the Reserved Property, we shall be deemed to be manufacturer within the meaning of § 950 BGB (German Civil Code) without committing us in any way. The processed or manufactured goods shall be regarded as Reserved Property within the meaning of clause V/1 of these Conditions. If the Buyer manufactures, combines or mixes the Reserved Property with other goods we shall obtain co-ownership in the new goods in proportion to the invoiced price of the Reserved Property to the invoiced price of the other goods. If, by such combining or mixing, our ownership expires, the Buyer herewith transfers to us any rights which the Buyer will have in the new stock or goods in proportion to the invoiced price of the Reserved Property, and he will keep them in safe custody free of charge. Our co-ownership rights shall be regarded as Reserved Property within the meaning of clause No. 1 above.
3. The Buyer may resell the Reserved Property only within the normal course of his business in accordance with his normal business terms and provided he is not in default of payment and provided also that any rights resulting from such resale will be transferred to us in accordance with clauses No. 4 through No. 6 above. The Buyer shall not be entitled to dispose of the Reserved Property in any other way.
4. The Buyer hereby assigns to us any claims resulting from the resale of the Reserved Property. Such claims shall serve as our security to the same extent as the Reserved Property itself. If the Reserved Property is resold by the Buyer together with other goods not purchased from us, then any receivables resulting from such resale shall be assigned to us in the ratio of the invoiced value of the other goods sold by the Buyer. In the case of resale of goods in which we have co-ownership rights according to clause No. 2 above, the assignment shall be limited to the part which corresponds to our co-ownership rights.
5. The Buyer shall be entitled to collect any receivables resulting from the resale of the Reserved Property. This right shall expire if withdrawn by us, at the latest if the Buyer defaults in payment; fails to honour a bill of exchange; or files for bankruptcy. We shall exert our right of revocation only if and in so far as it becomes evident after the conclusion of the contract that payment resulting from this contract or from other contracts is jeopardised by the lack of Buyer's ability to pay. The Buyer shall - upon our request - immediately inform his customers of

such assignment and to forward to us any information and documents necessary for collection.
The Buyer may not assign any receivables resulting from the resale unless this assignment is part of a factoring without recourse provided this agreement has been made known to us and where the proceeds from the factoring supersede the value of our secured claim. As soon as the factoring proceeds have been credited to the Buyer, our invoice will immediately become due.
6. The Buyer shall immediately inform us of any seizure or any other attachment of the Reserved Property by a third party. He shall bear any costs necessary to suspend such seizure or attachment or removal of the Reserved Property, if and in so far as such costs are not borne by a third party.
7. Should the Buyer default in payment or should he fail to honour a draft we shall be entitled to take back the Reserved Property and to enter, for this purpose, the Buyer's premises. The same shall apply should, after the conclusion of the contract, it become evident that payment resulting from this contract or from other contracts is jeopardised by the Buyer's lack of ability to pay. If we take back the Reserved Property, this shall not be regarded as withdrawal from the contract.
8. Should the total invoiced value of our collateral exceed the amount of the secured receivables including additional claims for interest, costs etc. by more than 50 %, we shall - upon the Buyer's request - release pro tanto collateral at our discretion.
9. In case the foregoing provisions in regard to the retention of our property are or become void under the laws of the country into which our goods are sold and delivered, the Buyer undertakes to agree to securities of equal value and to perform any corresponding acts such as e.g. the registration of our property rights.
<b>VI. Grades, Sizes and Weight</b>
1. Grades and sizes shall be determined in accordance with the DIN-/EN or mills' standards. Any reference to such standards, mill's standards or work-certificates as well as any indication with regard to grade, size, weight or usage of the goods shall not be regarded as a description, a warranty or a guarantee. The same shall pertain to any declaration of origin or conformity, to mills' confirmations and to any related marks such as „U“-marks, CE and GS.
2. The weight of the goods shall be determined on our or our suppliers' scales and shall be proven by presentation of the pertinent weight check. Where provided by law, the weight may be determined without weighing in accordance with the standards, whereby any supplements as provided by trade usage ("Trade Weight") shall apply. Deviations from the agreed weight up to 0.5 % shall not be subject to a claim. Any indications given in the delivery notes as to the number of pieces, bundles etc. are not binding if and in so far as the goods are invoiced by weight. Where, according to the contract, the goods are not weighed piece by piece, the total weight of the delivery shall prevail. Any difference with regard to the calculated weight of the single pieces shall be proportionally allocated to them.
<b>VII. Testing and Inspection</b>
1. Where testing and inspection of the goods has been agreed upon, the goods must be inspected in the mill or in our warehouse immediately after the Buyer has been informed that the goods are ready for dispatch. The Buyer shall bear his personal inspection costs, whereas the costs of inspection will be invoiced to him in accordance with our price list.
2. Should, through no fault of ours, an agreed upon inspection of the goods fail or be delayed or be incomplete, we shall be authorised to dispatch the goods without prior inspection or to store them at the Buyer's expense and risk and to invoice the goods to him.
<b>VIII. Dispatch, Passing of Risk, Packaging, Partial Delivery</b>
1. We shall be entitled to choose the route and mode of dispatch as well as the forwarding agent and the carrier.
2. The Buyer shall immediately request delivery of those goods which have been notified to him as ready for dispatch. Otherwise we are entitled, upon reminder, to ship such goods at the Buyer's cost and risk or to store them at our discretion and to invoice them to the Buyer.
3. Can, by reasons not attributable to us, the goods not be shipped or shall it become substantially difficult to ship them via the designated route or to the designated place within the designated time, we reserve the right to ship them via a different route or to a different place. Any additional costs will be borne by the Buyer. In such cases we will ask the Buyer for his prior comments.
4. In all transactions, including freight prepaid and freight-free deliveries, the risk of loss or damage to the goods shall pass to the Buyer at the time where we hand them over to the forwarding agent or to the carrier, at the latest with their departure from our warehouse. We will buy insurance only if requested to by the Buyer and at his cost.
5. The goods will be delivered unpacked and not be protected against rust. Only where so provided by trade usage will the goods be packed. Any package, protection and/or transport device will be supplied according to our experience and at the Buyer's cost. We will take back such devices only at our warehouse. We will not bear any costs for their re-transport or disposal.
6. We shall be entitled to make partial deliveries with reasonable quantities. Where and in so far as allowed by trade usage, we may exceed or reduce the agreed quantities by +/- 10%
7. Where the contract provides for continuous deliveries, the Buyer shall divide the quantities and grades of the goods into approximately equal monthly shipments. Otherwise we shall be entitled to specify them at our own fair and just discretion.
8. Where the single calls for delivery exceed the total contractual quantity, we shall be entitled, yet not committed, to deliver the surplus quantity and invoice it at the prices applicable at the time of the call or the delivery.
<b>IX. Warranty Provisions</b>
1. The Buyer shall immediately notify us in writing of any defects of the goods, at the latest seven days after their delivery. Defects which, even upon careful inspection, cannot be discovered within this period must be notified to us in writing immediately upon their discovery, at the latest before the elapse of any agreed or statutory warranty period. In such cases the Buyer must suspend any processing or manufacturing of the goods.
2. If and in so far as the Buyer's claim for defects is justified and has been made in time, we may, upon our discretion, remedy the defect or deliver non-defective goods ("substitution"). Should we fail or decline the substitution, the Buyer may, upon the elapse of an adequate additional period of time set by him, withdraw from the contract or reduce the purchase price. In cases where the defect is minor, where the goods have already been processed or transformed, he may only reduce the purchase price.
3. We will reimburse the Buyer for his expenditures in connection with the substitution only in so far as such expenditures are reasonable and proportional to the purchase price of the goods. We will not reimburse the Buyer for any expenses in connection with the redelivery of the goods to any other place than the place of performance.
4. If and in so far as the goods are subject to contractually agreed testing and inspection by the Buyer, such testing and inspection shall bar any claims for such defects which might have been determined by the agreed type of testing and inspection.
5. If the Buyer fails to immediately give to us the opportunity to inspect the defect, especially if he fails - upon our request - to immediately make the goods or samples hereof available to us, he will lose all of his warranty rights.
6. No warranty shall be given to goods sold as declassified material with regard to such defects either specified in the contract or to those

<p>normally to be expected. Goods classified as “downgrade” are not subject to any warranty.</p> <p>7. Our further liability is subject to Section X. Any of the Buyer’s rights of recourse according to §§ 478, 479 BGB (German Civil Code) shall remain unaffected.</p>
<p><b>X. Restriction of Liability and Limitation Periods</b></p> <p>1. Our liability for breach of contractual or extra-contractual obligations, in particular for non-performed or deferred deliveries, for breach of duties prior to the contract as well as for tortious acts - including our responsibility for our managerial staff and any other person employed in performing our obligations - shall be restricted to damages caused by our wrongful intent or by our gross negligence and shall in no case exceed the foreseeable losses and damages characteristic for the type of contract in question.</p> <p>2. The aforesaid restriction shall not apply to such cases where we breach our fundamental contractual obligations and where such a breach of contract will endanger the contractual purpose; it shall neither pertain to damages to life, to the body or to health caused by our fault nor to any cases where we have guaranteed certain characteristics of the goods. Nor shall such clause affect our statutory liability laid down in the Product Liability Act. Any statutory rules regarding the burden of proof shall remain unaffected by the aforesaid.</p> <p>3. Unless otherwise agreed to any contractual claims which the Buyer is entitled to in connection with the delivery of the goods shall fall under the statute of limitations within a period of one year after the goods have been delivered to the Buyer. This limitation shall also apply to such goods which, according to their normal purpose of use, have been used for constructional works related to real estate property and which have caused damage within this construction, unless this purpose of use has been agreed upon in writing. This restriction shall not apply to our liability resulting from breaches of contract caused by our wrongful intent or by our gross negligence; neither to damages to life, to the body and to health caused by our fault nor to any recourse claims.</p>
<p><b>XI. Inadmissible delivery to a third party/misdirection</b></p> <p>1. Products that are not sold expressly for export to non-EC countries may not be delivered in unprocessed condition to countries outside the European Community. At our request the Customer must provide evidence as to the location of such goods</p> <p>2. The Customer shall pay to us a contractual penalty of 30 % of the agreed purchase price if he should act in contravention of these obligations. In such cases we are entitled to demand compensation for the actual damage involved rather than the aforementioned contractual penalty.</p> <p>3. The Customer shall ensure that the products are not delivered to destinations or recipients other than those agreed upon with us.</p> <p>4. Should the Customer act in contravention of this obligation and gain unfair advantage therefrom in the calculation of freight charges then he shall pay to us a contractual penalty of three times the value of such advantage; gain an unfair price advantage therefrom then he shall pay to us a contractual penalty of three times the value of such advantage.</p>
<p>5. Upon our request, the Buyer shall provide evidence that he has fulfilled his obligations under paragraph No 1 of this section.</p>
<p><b>XII. Place of Performance / Jurisdiction / Applicable Law</b></p> <p>1. The place of performance for our deliveries shall be the supplying work or the place where the goods are at the conclusion of the purchase contract. The place of jurisdiction shall be Copenhagen or - at our discretion - the Buyer’s seat.</p> <p>2. All legal relationships between us and the Buyer shall be governed by the Maritime and Commercial Court in Copenhagen. The provisions of the UN Convention on Contracts for the International Sale of Goods of 11 April 1980 (CISG) shall also apply subject to the proviso that our liability is restricted to the extent stipulated in sections IX and X above.</p>