



General Terms and Conditions of Sale and Supply

Valid for ArcelorMittal Hochfeld GmbH, as from September 1st 2007

1. GENERAL TERMS AND CONDITIONS

(1) All goods and services provided by ourselves shall take place exclusively in accordance with the present Terms and Conditions of Sale and Delivery. Any purchasing terms and conditions on the part of the Buyer are hereby revoked.

(2) Our Terms and Conditions for Sale and Delivery shall furthermore apply to all future transactions.

(3) Offers made by ourselves shall be deemed to be without obligation. Our offers shall only become binding once provided in writing.

(4) All details, drawings, diagrams, technical data, details relating to weight, dimensions and performance contained in brochures, catalogues, circulars, advertisements, price lists or in the documentation relating to the offer shall not be deemed to be binding, unless the order documentation expressly states that they are binding. By such documents no guarantee in accordance with Sections 276, 443 and 444 of the German Civil Code, no guarantee shall also be afforded for the suitability of the item being purchased.

(5) The present terms and conditions shall also apply in relation to transactions effected in accordance with commercial terms, particularly the Incoterms. They shall only apply insofar as no differing stipulations are contained within the said commercial clauses.

(6) All Agreements between the Parties including any changes to the present Terms and Conditions shall, for future reference, be confirmed in writing.

(7) Any offers submitted to us by the Customer in electronic form shall not be deemed to have been accepted by us, until such time as an

explicit declaration to that effect has been issued. The absence of a response to any such offer shall not constitute acceptance. The same shall also apply in the case of commercial confirmation documents issued in electronic form.

2. PRICES, PAYMENT AND SECURITY

(1) Unless specified otherwise, all prices shall be understood to be ex-works and excluding VAT at the valid statutory rate. Unless otherwise agreed, all payments shall be paid by the 15th day of the subsequent month, without deduction of discount, in such a manner that the cleared funds shall be at our disposal on the due date.

(2) The Purchaser shall only be permitted to withhold or offset any amounts in the event of undisputed counterclaims or counterclaims determined by a court of law. Any entitlements to withhold funds shall relate solely to the same contractual relationship. We shall be entitled to offset all claims against the Purchaser in our favour against all claims, whatever be the legal basis of these, owed to the Purchaser by ArcelorMittal Hochfeld GmbH or ArcelorMittal Ruhrort GmbH or by any of the companies listed below. The said companies are listed at the end of this document. The Parties are in agreement that reciprocity of performance shall apply in this regard.

(3) Subject to a specific agreement having been made in this regard, discountable and fully taxed bills of exchange shall be acceptable by way of payment. When bills of exchange or cheques are accepted, the debt shall only be discharged once the bill of exchange or cheque has been cashed. All costs incurred when cashing or crediting the amount of the payment shall be borne by the Purchaser.

(4) In the event that payment dates are not adhered to, default interest shall fall due at the statutory rate (8 per cent above bank base rate, in accordance with Section 247 of the German Civil Code) in respect of each month the relevant amount remains outstanding. Losses in excess of that amount shall be subject to evidence being presented.

(5) In the event that payment is delayed or in the event of justifiable concern that our claims may not be met as a result of impairment of the creditworthiness of the Purchaser, we shall be entitled to forbid the processing of the goods supplied, to terminate the Agreement and to demand that the return of the said goods. All costs incurred in this regard shall form part of the losses incurred as a result of default. The Purchaser irrevocably empowers us from the outset to enter its premises and take possession of the goods.

(6) The Purchaser shall be able to ward off the legal consequences referred to under section 2.5, by effecting a security payment equivalent to the amount of any claim for payment owing to us. In this event, we shall also be entitled to supply any outstanding goods only when paid in advance or subject to the payment of securities.

(7) In the event that the Purchaser fails to comply with any demand on our part for payment in advance or payment of a security in accordance with 2.5 or 2.6, we shall be entitled to withdraw from the Agreement, with no damages being payable to the Purchaser in this regard.

(8) We shall be entitled to the usual securities, based upon the nature and scope, for our claims, and in the event that specific conditions or a time limit apply.

(9) In the event that payment is delayed and

Notes on 2.2:

ArcelorMittal Hamburg GmbH
ArcelorMittal Gandrange
ArcelorMittal Rodange et Schifflange
ArcelorMittal Differdange
ArcelorMittal Esch-Belval

ArcelorMittal Commercial RPS
ArcelorMittal Warszawa
ArcelorMittal Ostrava
ArcelorMittal Hunedoara
ArcelorMittal Bergara, S.A.

ArcelorMittal Olaberria, S.L.
ArcelorMittal Gijon
ArcelorMittal Annaba
ArcelorMittal Zenica
ArcelorMittal Sonasid



this points to a decline in the financial standing of the Purchaser, we shall also be entitled to withdraw from the Agreement, without any notice period being applicable.

3. DIMENSIONS, WEIGHT AND QUALITY OF THE GOODS

(1) Any deviations in terms of dimensions, weight and quality shall be admissible, subject to DIN or any other valid practice. All weights shall be determined on our officially calibrated weighing scales and the resulting readings shall be decisive for invoicing purposes. The weight shall be established by production of the weighing certificate. Insofar as the goods are not subject to individual weighing as a matter of routine, the total weight of the delivery shall apply. Any differences between the calculated individual weights shall be applied on a pro rata basis to the delivery as a whole.

4. PACKAGING

(1) The goods shall be supplied unpackaged, as per usual commercial practice. Any exceptions to this shall be stipulated in the Purchase Agreement.

(2) If it is agreed that the goods be packaged, the cost thereof shall be borne by the Purchaser. Packaging and other transport equipment shall not be taken back.

5. ACCEPTANCE

(1) If an inspection upon acceptance is agreed, it can only take place at the factory from which they are supplied; it must take place without delay following notification of the readiness of the goods for acceptance inspection. The works-related acceptance costs shall be borne by us. All other costs relating to acceptance or costs charged to ourselves by third parties shall be borne by the Purchaser.

(2) In the event that specific quality requirements have been agreed, the Purchaser shall be obliged to accept the goods if demanded to do so by us.

(3) If, due to circumstances beyond our control, acceptance does not take place in good time or if it is incomplete, we shall be entitled to undertake the delivery without acceptance or to store the goods at the expense and the risk of the Purchaser.

6. DISPATCH, TRANSFER OF RISK AND PROOF OF EXPORT

(1) Goods shall be despatched by heavy goods vehicle, rail or ship. By special agreement, goods may also be collected by the Purchaser. In all instances in which the goods are not collected by a vehicle belonging to the Customer, we shall select the haulage or freight company. The risk with regard to the goods supplied shall pass to the Purchaser, once the goods are passed to the haulage or freight company and at the latest when they leave the site or warehouse.

In the case of sales entered into on the basis of the Incoterms, the Incoterms alone shall govern the transfer of risk. Insofar as we as Vendors bear any subsequent risk, our duty to bear risk shall be confined to the risks covered by normal insurance conditions. Any other risks that extend beyond these shall be borne by the Customer from the point at which the goods are handed over to the haulage or freight company and at the latest when the goods leave the warehouse.

(2) All goods that are notified as being ready for despatch must be called off and collected within a period of four days.

Otherwise, we shall be entitled to store the goods, at the expense and at the risk of the purchaser and to invoice them as delivered ex works. The same shall apply in the event that the Purchaser does not fulfil in good time its obligation to book a ship, or, in the event that the loading or the transportation of goods is delayed due to reasons within the control of the Purchaser.

(3) In event of damage during transportation, the Purchaser shall undertake an audit of the damage without delay.

(4) In the event that a Purchaser, located outside of the Federal Republic of Germany, (extraterritorial customer) or its agent, collects goods and transports or forwards them to a location outside the Federal Republic of Germany, the Purchaser shall forward to ourselves the export certificate that is required for tax purposes.

In the case of deliveries to other member states of the European Union, the Customer shall notify us in advance of its sales tax identification number, under which it absolves itself of its tax liabilities within the European Union. In the event that no proof of this is provided, the Purchaser shall effect payment of the statutory rate of sales tax applicable in the Federal Republic of Germany, over and above the actual invoice amount.

7. DELIVERY PERIOD AND DELAYED DELIVERIES

(1) The agreed delivery deadlines shall commence upon the date on which the order is confirmed. They shall only apply subject to the clarification in good time of all details of the order and the prompt fulfilment of all obligations by the Purchaser: the same shall apply in the

case of delivery dates.

(2) In the event that the Purchaser does not acquit itself in good time of its contractual obligations, e.g. prompt notification of monthly quantities in the case of orders involving ongoing deliveries, collaborative or ancillary obligations such as the establishing of a credit facility, the submission of domestic or foreign certifications, the payment of a deposit, the booking of a ship, we shall be entitled to extend our delivery periods or dates appropriately, according to the needs of our production processes. Our rights in respect of the delayed performance on the part of the Purchaser shall remain unaffected.

(3) With regard to compliance with the delivery deadlines, the time of dispatch from the factory shall be decisive, unless stipulated otherwise in the Agreement. In the event that it is impossible to despatch the goods on time due to factors beyond our control, the delivery deadlines shall be deemed to have been adhered to, following notification that the goods are ready for dispatch.

We shall be entitled to undertake partial deliveries, insofar as this is not unreasonable for the Purchaser.

(4) In the event that due to unforeseen events (force majeure), such as war or interventions arising out of sovereign measures of a commercial, monetary policy or other nature, civil unrest, natural disasters, accidents, other non-culpable occurrences affecting production, such the breakdown of a machine or rolling mill, fire or a delay in the delivery of essential operating substances or precursor materials, affecting ourselves or our suppliers that it was not within our power to prevent by exercising an appropriate degree of care according to the circumstances, we are prevented from fulfilling our obligations, the delivery period shall be extended for the duration of any such impediment and an appropriate recommissioning period. In the event that delivery becomes impossible or unreasonable as a result of such an impediment, we shall be entitled to withdraw from the Agreement. The Purchaser shall enjoy the same right, in the event that it is unreasonable for it to accept the goods as a result of the said delay. Strikes or lockouts shall be deemed to constitute an impediment beyond our control for the purpose of this section.

(5) In the event that the delivery deadlines are not adhered to, the Purchaser shall only enjoy the rights arising out of Sections 281 and 323 of the German Civil Code if it has provided us with an appropriate deadline for delivery, which, over and above the stipulations of Sections 281 and 323 of the German Civil Code, is accompanied by a declaration that it will refuse to accept the goods following the expiry of the deadline; once the deadline has passed and no follow-up is forthcoming from the Purchaser, any entitlement to performance shall be excluded.



8. DEFECTIVE GOODS; INCORRECT DELIVERY, WARRANTY

(1) Visible defects shall notified in writing within a period of one week of the date of delivery at the latest. Hidden faults should be notified in writing within one week of their discovery, no later than 12 months of the delivery date. Once the goods have been accepted by the Purchaser, no complaints shall be accepted in relation to defects that could have been determined during the course of the agreed processes of acceptance.

(2) The goods shall be deemed to comply with the contractual requirements, if, at the time at which risk is transferred, they are not at variance with the agreed specifications or if they vary only slightly. Correspondence to the contract and absence of faults are only determined by explicit agreements concerning quality and quantity of the ordered goods.

No guarantee shall be afforded with regard to any particular use or suitability, unless this has been explicitly agreed. Otherwise, the Purchaser shall be obliged to ensure that the goods are suitable for any particular purpose. We shall not be liable for deterioration, demise or inappropriate handling of the goods once risk has been transferred.

(3) The contents of the agreed specification and any explicitly agreed applications do not constitute a guarantee under the terms of Sections 276, 443 and 444 of the German Civil Code; any assumption of guarantee shall be subject to written agreement.

(4) In the event of a prompt, justifiable complaint relating to faults, we shall make amends, as we see fit, taking into account the circumstances of the Customer, either in the form of a replacement delivery or in the form of remediation of the faults concerned. Should any remediation work or replacement delivery prove to be insufficient, in particular following the expiry of any appropriate additional deadline stipulated by the Purchaser, the Purchaser shall be entitled to demand the cancellation of the Agreement or a reduction in the purchase price. Any remediation work or replacement delivery shall only be deemed to have been insufficient, in the event that we have been accorded sufficient opportunity to rectify the fault(s) or to undertake a replacement delivery, without the expected successful outcome having been achieved, in the event that we refused to undertake such action or incurred an unreasonable delay in so doing, or if there existed a justifiable doubt as to likelihood of success of any such measure or if for any other reason such actions were to be regarded as unreasonable.

(5) The entitlement to seek redress in respect of faults shall expire 1 year following delivery of the goods. The statutory guarantee periods relating to goods that have been incorporated, in accordance with their usual manner of use, into the fabric of a building and cause it be faulty.

(6) In the case of goods purchased as seconded goods, e.g. II a – materials, no guarantee entitlements shall be accorded to a purchaser in relation to any indicated faults or any faults that can normally be expected in seconded goods of this type.

9. RETENTION OF OWNERSHIP

(1) We shall retain ownership rights over all goods supplied (conditional commodity), until such time as all claims, in particular any financial claims in our favour arising out of the business relationship with the Purchaser, have been fulfilled. The same shall also apply in the case of any future claims or any to which particular conditions apply, e.g. arising out of an acceptor's bill.

(2) Process and use of the conditional commodity will be in favour of us as a manufacturer in accordance with Section 950 of the German Civil Code, without any obligation on our part. Any goods thus processed shall constitute a conditional commodity in accordance with Section 9.1.

(3) When the conditional commodity is processed, combined or mixed with other goods by the Purchaser, we shall enjoy joint ownership rights in respect of the ensuing goods or the new item, on a pro rata basis in accordance with the invoice amount of the conditional commodity in relation to the invoice value of the other goods employed. In the event that our ownership is lost as a result of processing, combination or mixing, the Purchaser shall assign to us from the outset the ownership rights it itself enjoys in respect of the resulting item, on a pro rata basis according to the invoice amount of the conditional commodity in relation to the invoice value of the other goods employed. The Purchaser shall also preserve the resulting item or items, with no costs being payable by us in that regard. Our joint ownership rights shall constitute a conditional commodity in accordance with Section 9.1.

(4) The Purchaser may only sell the conditional commodity within the context of its usual business transactions and subject to its usual commercial terms and conditions, and may only do so if it is not in default, if it agrees to a retention of ownership rights with its customer and if any demands against the said customer with regard to any such sale shall be assigned to us in accordance with Sections 9.5 and 9.6. The Purchaser shall not be entitled to make any other use of the conditional commodity. The use of the conditional commodity to fulfil factory or factory delivery agreements shall also constitute a sale.

(5) The claims of the Purchaser arising out of the sale of the conditional commodity are hereby assigned to us; this shall also apply in the event that the claim relating to subsequent

sale is discontinued in the form of a current account of the amount of any amounts claimed. Any claims assigned shall constitute security in respect of the equivalent amount.

(6) In the event that the conditional commodity is sold by the Purchaser together with other goods not supplied by ourselves, the claims arising out of any such sale or the balance amounts applicable in each case shall be assigned to us on a pro rata basis in relation to the invoice amount of the other goods. In the event that goods are sold, in which we enjoy a proportion of joint ownership in accordance with Section 9.2, a proportion of the claim shall be assigned to us that corresponds to the joint ownership rights we enjoy.

(7) The Purchaser shall be entitled to seek payment of claims arising out of the subsequent sales or claims for payment, unless its authority to seek such payments is withdrawn by us in the cases listed under Section 2.6. If requested by us, the Purchaser shall be obliged to inform its customers immediately of any such assignment of ownership rights and to provide us with the information and any documentation that we will require in order seek payments.

(8) The Purchaser shall under no circumstances be entitled to assign any other ownership rights. The same shall also apply in the case of factoring transactions; the authorisation to seek payments shall not entitle the Purchaser to undertake factoring transactions. We are however prepared to agree to factoring transactions, insofar as the equivalent value arising out the transaction is finally received by the Purchaser and the fulfilment of our claims is not jeopardised.

(9) In the cases outlined in Section 2.5, we shall be entitled to forbid the processing, use or subsequent sale of the conditional commodity. In these instances and in the event of a transgression on the part of the Purchaser of its obligation in respect of Section 9.4, we shall be entitled to withdraw from the Agreement and to demand the return of the conditional commodity. The Purchaser irrevocably empowers us from the outset to enter its premises and take possession of the conditional commodity.

(10) In the event that the value of existing securities exceed the amount of the secured claims by a total of more than 10%, we shall be obliged, if so requested by the Purchaser, to release any securities of our choice. The Purchaser shall be obliged to notify us without delay in writing of any levy of execution or any other limitations imposed by third parties.

10. GENERAL EXCLUSION OF LIABILITY

(1) Unless stipulated otherwise within these terms and conditions, any additional liability by us is excluded. The limitation of liability shall not



apply to losses involving loss of life, physical injury or loss of health, if these occur due to defects for which we are responsible. Nor shall the limitation of liability apply in relation to any other losses that occur as a result of intentional or gross negligent dereliction of duty. The limitation of liability shall also not apply in the event that typically occurring, foreseeable losses are included, in the event that we are in breach of essential contractual obligations or in the event that we have undertaken to guarantee the suitability of goods.

(2) Claims arising out of the Product Liability Act shall remain unaffected.

11. OTHER STIPULATIONS

(1) The place of performance in respect of our deliveries and services shall be the location from which the goods are supplied and, in the case of the Purchaser's duty to pay, the location of the bank account, the details of which are stated on our invoice.

(2) Any legal proceedings arising out of disputes, bills of exchange and chequing processes, shall be served at the location of our registered offices. We shall however be entitled to pursue legal proceedings against the Purchaser in the courts of its own location of legal jurisdiction.

(3) In the event that individual stipulations contained in this Agreement are legally ineffective, the legal validity of the remaining provisions shall be unaffected. In the event that any individual stipulation is invalid, the contractual partners undertake to replace it with another legally effective stipulation that reflects the commercial purpose of the invalid one.

(4) All legal relationships that exist between ourselves and the Purchaser shall be exclusively subject to the laws of the Federal Republic of Germany, to the exclusion of the United Nations Convention of 11 April 1980 on Contracts for the International Sale of Goods.