



General Commercial Terms

Valid for ArcelorMittal Warszawa Sp. z o.o., as from March 15th 2017

1. CONTRACT, PRICE

a) These General Conditions of Sale apply to all Sale contracts concluded by ArcelorMittal Warszawa Sp. z o.o. (hereinafter referred to as the SELLER) with its registered office in Warsaw, address: ul. Kasprowicza 132, and external entities (hereinafter referred to as the BUYER). In the event that the parties temporarily agree on a partial or complete amendment of any of the provisions of these General Conditions of Sale, the validity of the remaining provisions shall not be affected thereby.

b) The SELLER takes an order for construction and delivery of GOODS manufactured by the SELLER in accordance with the binding technical and technological norms negotiated jointly with the BUYER and indicated in the content of a document referred to as ORDER CONFIRMATION. The ORDER CONFIRMATION together with the order placed by the Buyer, on the basis of which confirmation was issued, constitute the CONTRACT.

c) The contract shall be deemed concluded if the SELLER received the original ORDER by post and the BUYER received the original ORDER CONFIRMATION by post (sending the aforementioned documents by electronic mail or telefax may only serve an informative function). Moreover, these documents shall be sent within 3 work days from the date of their preparation. Date of issue of the ORDER CONFIRMATION shall constitute the date of conclusion of the contract.

d) In the event that the BUYER identifies discrepancies between the content of the ORDER placed and the content of the ORDER CONFIRMATION issued on its basis, it shall be obliged to notify the SELLER thereof in writing (by post, telefax or electronic mail) within 5 work days from its receipt, specifying at the same time the discrepancies and conditions which should be met by the ORDER CONFIRMATION in order for the Contract to be deemed concluded. On the basis of such information, the SELLER shall present ORDER CONFIRMATION for goods which meet the requirements of the BUYER or notify the BUYER of there being no possibility of concluding

the contract. If no information concerning discrepancies (see above) is submitted, the Contract shall be deemed concluded in accordance with conditions specified in the ORDER CONFIRMATION.

e) Prices of GOODS specified in the Contract shall encompass the established terms of delivery, i.e. location and manner of handing over the GOODS to the BUYER or RECIPIENT indicated in the Contract or to the CARRIER authorized by the BUYER. In the event of acceptance of terms of delivery as in point 2 f), mode of settlement of transport costs shall be specified in the contract every time or shall constitute the subject of a separate contract.

f) Prices specified in the contract do not include VAT. They are calculated taking into account legal and tax provisions which have an impact on their amount and are in force on the day of conclusion of the contract. The SELLER reserves itself the right to change the final value of the contract during its performance if changes in the aforementioned provisions which have an impact on the value of the contract took place during this period of time.

g) If the BUYER requests that the goods be examined by an external examination/certification unit prior to delivery, this fact shall be indicated in the Contract and the costs connected with conducting such examination shall be borne by the BUYER. If, on the day of conclusion of the Contract, no information concerning the necessity of conducting examination has been submitted, this fact shall free the SELLER from the obligation to ensure that the examination is carried out in the registered office of the SELLER prior to delivery.

h) If the Customer does not have receivables insurance limit available on the dispatch day, they will be obliged to pay cash within 14 days from the day on which the goods are transferred for the Customer's disposal. Should the Customer fail to settle the payment within 14 days from the day on which goods are transferred for their disposal, the Supplier is authorized to verify the price.

2. DELIVERY, TRANSFER OF RISK

a) Under a given contract the SELLER reserves itself the right to deliver each product with the quantity (weight) tolerance of 10% in relation to the amount specified in the contract. In the event of the aforementioned quantity difference, the Contract shall be deemed performed and the BUYER shall be obliged to accept such delivery and pay the price specified in the Contract for the actually delivered amount of GOODS. Measurement carried out in location of loading the goods, i.e. registered office of the SELLER, shall constitute grounds for calculating the actually delivered amount of GOODS, which is indicated on a relevant invoice and shipment specification. Partial deliveries shall be permitted, unless agreed otherwise by the parties.

b) In the event that the contract is concluded in accordance with "Franco SELLER" terms of delivery (similarly to FCA in accordance with INCOTERMS 2000), the BUYER shall be obliged to collect the GOODS from the warehouse of the SELLER within 7 work days from the date of being notified by the SELLER of their readiness for collection (notification sent by post, telefax or electronic mail). In order to ensure proper organization of the collection of goods, the BUYER shall be obliged to notify the Shipping Department of the SELLER of the planned GOODS collection date 2 work days in advance, supplying the product description (type, kind, characteristics), surname of the driver and registration no. of the car as well as any other data specified by the Shipping Department of the Seller. Lack of such notification may result in prolongation of time required for handing over the GOODS to the BUYER or Carrier authorized by the BUYER and any costs resulting thereof shall be born by the BUYER.

c) In the event that the BUYER fails to collect the GOODS within 7 days from the date of being notified of the goods' readiness for collection, the SELLER reserves itself the right to deliver the GOODS to the BUYER or a recipient indicated by the BUYER on the ORDER at a date chosen by the SELLER and with its own means of transport as well as charge the expenses borne for this purpose



to the BUYER or sell the GOODS to another Buyer.

d) The SELLER reserves itself the right to charge to the BUYER the expenses connected with warehousing in the amount of 0.35% for each begun week in the period between the collection date specified as in point 2 a) and the day of performing shipment as in point 2 c) above.

e) Conducting activities as specified in points 2 c) and 2 d) shall not restrict the right of the SELLER to refuse to conclude further contracts with the BUYER.

f) In the event that the contract is concluded in accordance with "Loco BUYER" terms of delivery (similarly to DDU in accordance with INCOTERMS 2000), the SELLER shall be obliged to notify the BUYER of the date of sending the shipment and the expected GOODS delivery date resulting thereof at least 2 work days before this date.

g) The moment the GOODS are delivered to a chosen location (including handing over the goods to the CARRIER authorized by the BUYER), any risk connected with accidental loss or damage of GOODS shall be borne by the BUYER.

2. PAYMENT, OWNERSHIP RIGHT

a) The BUYER shall be obliged to pay for the delivery within a period of time specified on the invoice. In the event that the BUYER fails to make timely payment as specified above, the SELLER shall be entitled to interest for arrears calculated in accordance with provisions applicable in this scope. Regardless of the modes of payment used, payment shall not be deemed made until the account of the SELLER is irrevocably credited with the full amount.

b) Goods delivered shall remain the property of the SELLER until the day on which a full payment for them is made, which shall not free the BUYER from the liability for the goods).

4. RETENTION OF TITLE (ROT)

a) The goods are to remain the property of the vendor until all receivables, including incidental receivables and receivables for damages, have been paid in full and until all cheques have been cleared and bills honoured.

b) The ROT also remains in force if individual receivables of the vendor are included in a current account and the balance has been paid in and accepted.

c) If goods with ROT are processed by the purchaser to a new, movable item, then the processing takes place for the vendor without

any resulting obligation for the latter. The new item becomes the property of the vendor. In the case of processing, combining or mixing with goods which do not belong to the vendor, the vendor acquires co-ownership of the new item in proportion to the invoiced value of their goods under ROT.

d) The purchaser is only entitled to resell, reprocess or install the goods under ROT if they take the following conditions into account and only on the understanding that the payment of receivables under paragraph 6 are actually passed on to the vendor.

e) The authority of the purchaser to sell, process or install goods under ROT in the regular course of business ends with the withdrawal by the vendor as a result of persistent deterioration of the financial situation of the purchaser, at the latest, however, when the latter stops payment or when notification of insolvency is filed for, or asset composition proceedings are undertaken.

f) The purchaser herewith assigns the receivable with all accessory rights from the resale of the goods under ROT, including any possible balance to the vendor.

If the goods have been processed, blended or mixed and if the vendor has acquired co-ownership of them to the amount of their receivable value, then he is entitled to that part of the sales price in proportion to the value of their rights on the goods. If goods under ROT have been installed by the purchaser in a property / building, then the purchaser already assigns at this point the resulting receivable or payment from the resale of the property / building, to the amount of the receivable value of the goods under ROT, with all accessory rights, including the right to grant a collateral mortgage as a priority before anything else. If the purchaser has sold the receivable in the course of a non-recourse factoring, then the receivable of the vendor becomes immediately due and the purchaser assigns the superseding receivable against the factor to the vendor and passes on their sales proceeds immediately to the vendor.

g) As long as the purchaser fulfils his financial obligations, he is authorised to collect the assigned receivables. The authorisation to collect expires when withdrawn, but at the latest when the purchaser delays payment or if the financial situation of the purchaser deteriorates considerably. In this case the vendor herewith authorises the purchaser to inform the customer of the assignment and to collect the receivable himself. The purchaser is obliged to hand over to the vendor, on request, an exact status of the payables to which the vendor is entitled, with the name and the address of customers, the amount of individual receivables, invoice date etc. and to give all the information required to the vendor to assert these claims and to allow them to verify this information.

h) If the value of the security existing for the

vendor exceeds all his receivables by more than 20 %, then the vendor is obliged, on the request of the purchaser or of a third party, impaired by the excessive security of the vendor, to release securities at their option to this extent.

i) It is not permitted to pledge or transfer the ownership by way of security of the goods under ROT, or of assigned claims. The vendor must be informed immediately of seizures with details of the pledge.

j) If the vendor takes back a delivery item on the basis of ROT, a cancellation of the contract only exists, if the vendor states this expressly. The vendor can satisfy his claims by selling the goods under ROT retaken by him, on the open market.

k) The purchaser keeps the goods under ROT in safe custody for the vendor free of charge. He must insure them against normal danger such as e.g. fire, theft and water to the normal extent. The purchaser assigns herewith to the vendor, to the amount of the invoice value of the goods, his claims for damages, to which he is entitled for damages of the above-mentioned type, against insurance companies or other substitute liable parties. The vendor accepts the assignment.

l) All receivables as well as the rights from the ROT on all of the special forms stipulated in these conditions remain in force until after complete release from contingent liabilities entered into by the vendor, in the interest of the purchaser.

5. LIABILITY AND COMPLAINTS

a) Complaints concerning quantity shall be filed within 7 working days from the day of delivery and complaints concerning quality within 30 calendar days from the day of delivery.

b) The Parties waive any mutual claims concerning weight discrepancies not exceeding 2% of the weight declared in shipment documents.

c) THE SELLER shall not examine complaints concerning quality in case of PRODUCTS which have been processed and thus fail to exhibit their origin.

d) THE SELLER shall not examine complaints concerning quality if the complained quantity does not exceed 1% of its total mass delivered under a given contract. If defective percentage should be between 1% and 1,5% of delivery – THE SELLER – on THE BUYER'S request shall replace the faulty quantity of the product with a product free from defects. If the percentage should exceed 1,5% - THE BUYER shall have the right to complain about THE PRODUCT delivered under a given contract.

e) Liability of THE SELLER related to the



delivery of defective PRODUCTS shall be limited to the contract value and to the number of products with identifiable defects. THE SELLER shall not be liable neither for any damages caused by the products produced by THE BUYER from THE PRODUCTS supplied by THE SELLER nor for a product in which such BUYER'S products shall be a part of. In case the SELLER shall be held liable for a damage described in the paragraph above, THE BUYER shall indemnify THE SELLER from any such liability. If a claim for a damage describe in this paragraph shall be made by a third party against any of the Party hetero, the Party shall forthwith notify the other Party of such fact. Neither Party hetero shall be held liable by the other Party for production loss, loss of profit, loss in use, loss of contract or any other secondary or indirect loss of any kind.

f) A complaint by the SELLER should contain full written information concerning complained PRODUCT (smelt number, quality, size, quantity, number of delivery/contract). The BUYER shall send a sample from a defective supply. Complaint procedure shall commence only after a sample is received. The SELLER shall present the BUYER a report from sample examination and propose resolution of the complaint problem within 14 working days from sample receipt if no other arrangement with the BUYER have been previously made.

g) Any additional examination, control and repair of the PRODUCTS by the BUYER as well as costs thereof shall require a priori arrangement and authorization by the SELLER. The SELLER shall not be liable for any costs of examination, control and repair not agreed by the Parties. All relevant arrangements shall be made in writing.

h) The Parties undertake to take effective actions and to complete a complaint within 30 working days from the date of technical report from complained product sample examination.

i) The choice and technical specification of a product under this agreement depending on its purpose shall be made by the BUYER. The SELLER shall not be liable if features of products made by the BUYER and produced from products delivered under this agreement should not be as expected/assumed by the BUYER in spite of the product compliance with this agreement requirements. Any opinions presented by the SELLER on the BUYER'S request concerning products produced form products supplied under this agreement can be treated as information only and cannot be grounds for complaint or claim for damage.

6. WITHDRAWAL FROM THE CONTRACT, FORCE MAJEURE, SETTLEMENT OF DISPUTES

a) The BUYER shall be obliged to notify the SELLER of any changes in its legal and financial standing and particularly of changes in ownership structure, bankruptcy and treaty proceedings, suspending or significantly limiting business activity, change of its profile etc. The SELLER reserves itself the right to fully or partly withdraw from concluded contracts as well as to not conclude further contracts if it comes to a conclusion that payment for the delivered goods may be delayed or not made in the total amount due to the aforementioned circumstances.

b) Each of the parties shall have the right to sustain the fulfillment of obligations resulting from the contract if any of the following circumstances creates hindrance or makes it reasonably difficult for such obligations to be fulfilled: industrial disputes as well as any other circumstances which cannot be controlled by the parties, such as: fire, war, military mobilization on a large scale, insurrection, requisition, distraint, embargo, limitations in energy use, and with respect to the SELLER additionally: defects or delays in deliveries from subcontractors or serious instances of breakdown of fundamental elements in technological lines caused by any of the circumstances specified in this item ("Force Majeure"). Regardless of whether the circumstance specified in this item takes place before or after the date of concluding the contract, it shall entitle the parties to sustain the performance solely in the event that its influence on the performance of the contract could not have been predicted at the moment of conclusion of the contract.

c) The General Commercial Terms of ArcelorMittal Warszawa are considered mutually agreed and binding. The Buyer confirms that he is acquainted with these General Commercial Terms and he accepts them. Any general conditions, patterns of agreements, or other equivalent documents issued by the Buyer shall not apply. Any departure from the aforesaid General Commercial Terms shall require a written consent of both parties.

SELLER:
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