

GENERAL CONDITIONS OF SALE

1. Preamble

- a. Every offer of Tata Steel Nederland Tubes B.V. (hereinafter called: Seller) and/or every sales contract between the Seller and any Buyer is subject to these conditions unless agreed otherwise in writing by both parties.
These General Sales Conditions shall apply save modifications agreed in writing by both parties.
The Seller does not accept any reference by the Buyer to his own purchase conditions.
- b. The Seller's offers are without engagement.
The sales contract shall be deemed to have been entered into when the Seller has sent a written confirmation of the acceptance of the order to the Buyer.
- c. Unless expressly agreed otherwise in writing Seller shall only be obliged to sell and deliver goods manufactured in the plants of Seller.
- d. The goods are fabricated and delivered with a tolerance in quantity and weight of plus or minus 10% unless otherwise agreed upon by the Seller in writing.
The determination of the weight takes place at the factory and if the Buyer wishes in his presence. The Seller has the choice to determine the weight by weighing the wagon or the lorry empty and full, by gauging the ship empty or full, or by weighing with weighing bridges checked by the Inspection Office of weights and measures (het Ijkwezen). Only these weights determined before or at shipment are exclusively the base for the obligation to pay and to deliver. No guarantee is given for the right number of goods.

2. Specifications

- a. The specifications must have been received by the Seller within one week following the date of confirmation of the order by the Seller unless expressly agreed otherwise in writing.
- b. If the Buyer fails to present a specification within the fixed time the Seller shall be entitled to terminate the contract or the part thereof which is still to be executed without giving notice to the Buyer and without requiring the consent of any court and without prejudice to the rights of the Seller to be indemnified for any loss and damages.
- c. The goods can be delivered by the Seller immediately after receipt of the specification, unless expressly agreed otherwise in writing.

3. Inspection

- a. Buyer is entitled to inspect material of commercial quality on stow to determine the visible features. When special quality requirements have been agreed upon the goods can be inspected before shipment at the factory.

- b. The Buyer shall give notice to the Seller at the time of placing the order that he wishes to inspect the goods. In case such an inspection leads to extra costs for the Seller, these costs will be for the account of the Buyer even if the Buyer does not attend the inspection.
- c. When the Buyer has notified the Seller that he wishes to inspect the goods but does not do so within one week after the notification for causes beyond the will of the Seller, any claim based on defects, which could have been determined during such inspection, will not be accepted.

4. The Delivery Period and Force Majeure

- a. The Delivery periods mentioned in the Seller's order confirmations are only given as an indication and by approximation. Unless otherwise agreed the delivery periods shall apply to delivery "ex Works" or delivery ex warehouse to be indicated by the Seller. The periods shall only commence after the contract enters into force and after receipt by the Seller of all necessary data to enable the delivery.
Delay of delivery for whatever reason never gives the Buyer the right to claim damages and losses and neither the right to stop fulfilling his obligations based on this or another contract. Without prejudice to his other rights the Seller can extend the delivery periods for a time equal to the period during which the Buyer fails to fulfill any of his obligations towards the Seller. The Buyer will be in default - without being given notice or put in default - through his failure to fulfill any of his obligations towards the Seller, which shall be the case through the mere passing of the period in which the Buyer should have fulfilled such obligation.
- b. In case of force majeure, as described in paragraph 4c, Seller shall be rightfully excused from the performance of his contractual obligations for the duration of the force majeure situation. The Seller shall notify the Buyer on the occurrence of the force majeure situation. If the force majeure situation lasts longer than three consecutive months from the date of the aforementioned notification by the Seller, the Seller shall be entitled to annul the contract or to cancel wholly or partly the quantity that should have been delivered during these three months.
Neither in case of force majeure nor in case of the here mentioned annulment or cancellation is the Buyer entitled to indemnification of any loss and damage. After the expiration of the above mentioned period of three months the Buyer can demand that the Seller declares whether he intends to annul or to cancel the contract.
- c. Force majeure shall be deemed to exist if the performance of a contractual obligation will be partly or wholly impeded by any circumstance beyond the will of the Seller or if such performance causes for the Seller such difficulties that he cannot reasonably be required to accomplish it.
- d. If circumstances occur such as: war, danger of war, mobilization, insurrection, fire, frost, difficulties or stagnation of transport, shortage of appropriate cars, wagons and/or shipping facilities, strikes, blockade, occupation of the premises, stay in strikes, and/or lock outs, embargo, export restrictions, acts of government and difficulties or stagnation in the production both of the Seller and/or of an enterprise from which raw materials or auxiliaries are obtained, Seller will be excused from the performance of his obligations without prejudice to the other rights of the Seller as stipulated in paragraph 4b which rights are also applicable when the here mentioned circumstances occur.

5. Retention of title

- a. Upon delivery of the goods at the agreed point all risk of loss, damage and other incidents shall pass immediately to the Buyer.
- b. The Seller and the Buyer expressly agree that until the Seller has been paid in full for the goods comprised in this or any other sale contract between them, or until all other monies due from the Buyer to the Seller on any sum accounted for have been paid in full:
 - (i) legal and beneficial ownership of the goods comprised in the contract ("the goods") remain with the Seller;
 - (ii) the Seller may recover the goods at any time from the Buyer if in its possession, if the amount outstanding from the Buyer to the Seller in respect of goods supplied or any other amounts owed shall

remain unpaid after the due date for payment has passed and for that purpose the Seller, its servants and agents may enter upon any land or building which the goods are situated;

- (iii) the Buyer has a right to dispose of the goods (as between it and its customers only) as principal in the ordinary course of its business with such right being terminable by the Seller giving to the Buyer written notice at any time and being automatically terminated (without notice) upon the happening of any of the events referred to in clause 7c (iv);
- (iv) each sub clause, (ii) and (iii) shall be construed and have effect as a separate clause and accordingly in the event of any of them being for any reason whatsoever unenforceable according to its terms, the others shall remain in full force and effect.

- c. Should the case arise, the Seller has the right - in contravention of article 10 - to invoke the law of the country where the goods are situated. In such case this article is assimilated to the most proximate and most comparable right of that legal system.

6. Price

The price to be paid by the Buyer are the prices which are mentioned in the sales contract and/or order confirmation subject to escalation in case the sales contract and/or order confirmation so provides and are payable in the currency therein mentioned.

7. Payment

- a. Payment has to be received by the Buyer ultimately on the 15th of the month following the month of invoicing, unless agreed otherwise.
In spite of possible complaints about defaults of the goods the Buyer is obliged to pay the purchase price at the time agreed upon.
- b. The Seller may at any time, whether before the beginning of the execution of the contract or after the partial execution thereof, require from the Buyer, partly or wholly, a payment in advance or require a guarantee acceptable for the Seller that the Buyer shall satisfactorily fulfill his obligations towards the Seller. The Seller has no obligation to justify his requirement for such payment in advance or guarantee.
- c. The Seller shall be entitled without prejudice to its other rights and remedies either to terminate wholly or in part any or every contract between itself and the Buyer or to suspend and further deliveries under any or every contract in any of the following events:
 - (i) if any debt is due and payable by the Buyer to the Seller but is unpaid;
 - (ii) if the Buyer has failed to provide any letter of credit, bill of exchange or any other security required by the contract provided that in such event the aforesaid rights of termination or suspension shall apply only in regard to the particular contract in respect of which the Buyer shall have so failed;
 - (iii) if the Buyer has failed to take delivery of the goods under any contract between it and the Seller otherwise than in accordance with the Buyer's contractual rights;
 - (iv) if the Buyer becomes insolvent or enters into any composition or arrangement (including a voluntary arrangement) with its creditors or, being a body corporate, has passed a resolution for voluntary winding up except where solely for the purpose of reconstruction or if a petition has been presented for an order for its winding up or for a Receiver (including an Administrative Receiver) or Administrator to be appointed or if any such order or appointment is made or if, being an individual or partnership the Buyer suspends payment of his or their debts in whole or in part or if an application has been made for an interim Order or a petition has been presented for a Bankruptcy Order or if any such order is made or if the Buyer, whether or not a body corporate, shall carry out or be subject to any analogous act or proceedings under foreign law.

- d. The Seller shall be entitled to exercise its aforesaid rights of termination or suspension at any time during which the event or default giving rise thereto has not ceased of been remedied and, in the event of any such suspension, the Seller shall be entitled as a condition of resuming delivery under any contract between it and the Buyer to require prepayment of, or such security as it may require for the payment, of, the price of any further delivery.
- e. If payment is not made when due, the Seller shall rightfully and without giving notice be entitled to charge interest at a rate exceeding the official discount-rate in the country of the Buyer by 2%, increased by the additional interest charged by banks of such country at such time, if any, the interest rate at all times being at least the legal interest (wettelijke rente) to be counted from due date and charged by the Seller and that such interest shall be at least equal to the legal interest applicable in The Netherlands, without prejudice to his rights for indemnification of all damages and losses.
- f. If payment is not made when due and the Seller decides to collect the sum due the costs of collection shall be for account of the Buyer and charged to him. The costs of collection include amongst others costs of legal procedures, barristers, solicitors, process-writ servers and other assistance.

8. Warranty/Default

- a. Any claim/complaint on account of defective goods or for any other cause whatsoever, shall be deemed waived by the Buyer unless written notice of such claim is received by the Seller within thirty (30) days after receipt of the goods by the Buyer (or after storage at his account whichever is first). Claims and complaints with regard to goods already processed shall be deemed waived.
- b. If the Seller accepts a defect, as notified by the Buyer according to the above paragraph, he shall have without prejudice to article 4b, c and d, the choice to replace the defective goods or to refund the sales price of such defective goods. In both cases the goods concerned will be kept at the disposition of the Seller and shall only be returned by the Buyer to the Seller after approval by the Seller.
- c. The Seller is in no event liable for more or other indemnification than mentioned in paragraph 8b. Therefore they shall in no event be liable for any consequential damages to the Buyer due to any defect in the delivery, whether admitted or not by the Seller.
The Buyer shall hold the Seller completely free from any claim by third parties in connection with the goods delivered under this contract and refund the Seller all monies the Seller would be obliged to pay.
- d. As long as the Buyer does not fulfill his obligations completely under the sales contract, the Seller shall not be liable for whatever damages or losses and shall not be obliged to accept any claims about defect.
- e. Advice and assistance provided without charge is given in good faith and to the best of Seller's knowledge but without responsibility.

9. Miscellaneous

- a. The Buyer acknowledges that each of the other companies, directly or indirectly held for over 50% by the same holding company as the Seller, or which belongs in another way to the same group as the Seller, shall be entitled as joint and several co-creditors to all present and future rights of the Seller against the Buyer, all joint creditors and only these, individually being entitled to set off this right against any amount due to the Buyer from the creditor concerned, although on behalf of such creditors only the Seller shall be entitled to rescind the agreement on the grounds of the provisions applicable thereto.
- b. Unless otherwise agreed, the rules of the Incoterms latest edition issued by the International Chamber of Commerce in Paris concerning the term "Ex works" shall apply to all deliveries. The Incoterms latest edition shall apply also to other terms than "Ex works" unless otherwise agreed in writing. If the means of transport for the transport of the sold goods have been made available by the Buyer, the Buyer guarantees the good quality thereof and the Buyer shall hold the Seller harmless for all claims of third persons against the Seller concerning such transport.

- c. When it has been agreed upon that the goods shall be collected by the Buyer within an agreed period and the goods have not been collected within such period the Seller has the right to annul the contract or the part which is still to be executed and to consider the contract as executed rightfully without a given notice or without requiring the consent of any court or he has the right to store the goods on the account and for the risk of the Buyer. With such a storage the Seller has fulfilled his obligation to deliver.
- d. In case of insurance by the Seller on behalf of the Buyer of the transportation of the sold goods, the Buyer is obliged to inform the Seller promptly in writing in case of damage to such goods, without prejudice to the obligation of the Buyer to hold promptly the transporter liable for the damage.
The on the base of this insurance to be funded compensation shall not exceed the amount which the Seller receives from the insurer.

10. Disputes and Applicable Law

Any dispute arising out of the contract shall be settled by the authorized judge in Amsterdam unless otherwise agreed in writing. Dutch law is applicable.