

GENERAL CONDITIONS OF SALE

1. SCOPE AND COMPLETE AGREEMENT

These General Conditions of Sale (hereinafter referred to as "GCS") shall apply to all products, accessories, and services ("Goods") that are sold by the seller - GO Steel a.s. ("Seller") to the customer – a legal or physical entity engaged in selling goods and rendering services related to selling goods ("Customer"). GCS, together with Seller's specific conditions contained in its attached order confirmation or contract of sale ("Order Confirmation") and only such other documents, as are specifically incorporated herein by reference, constitute the entire agreement between the Customer and the Seller, and supersede, in their entirety, any other conflicting terms and conditions proposed by the Customer within any oral or written communications that are not expressly incorporated herein. In the case that the Customer fails to comply with any of its contractual or legal obligations, the Seller may either insist upon their fulfilment or may terminate the Contract. In both the events the Seller shall be entitled to compensation of pecuniary damage arising thereby.

Agreements entered between the Seller, or its agents and third parties shall only become valid upon the Seller's express written confirmation.

In the absence of a clause to the contrary, documentation, catalogues and estimates are sent for information purposes only and Seller's offers are not binding without the Order Confirmation. No additions to or variations from the terms hereof, whether set forth in the Customer's purchase order or in any other documents, including shipping documents, shall be binding upon the Seller unless expressly agreed in writing by the Seller. The Customer's signature and sending of the Order Confirmation or, in the alternative, the Customer's failure to reject it within three days from receipt thereof shall constitute the Customer's acceptance of the contractual terms defined herein.

The Seller's failure to exercise any right shall not be deemed to be a waiver of such right. In the event of a purchase contract concluded via an electronic mail, the Order Confirmation shall include all of the specific elements constituting the Customer's purchase as expressly confirmed by the Seller. If any of GCS provisions or part thereof is determined to be void, unenforceable or illegal in whole or contained in part, such determination shall not affect the validity of the other terms and conditions herein.

In the case of a conflict between the provisions in the Order Confirmation and the wording of the present GCS, the provisions in the Order Confirmation shall prevail.

2. PRICES – PAYMENT

All prices are calculated on the basis of the Goods as measured and weighed at the departure point. Except as may be otherwise expressly provided in the Order Confirmation, prices are net cash exclusive of the value added tax (hereinafter also "VAT") and the Customer is obliged to pay for the price of goods increased by VAT in the amount set in accordance with relevant legal regulations. This does not apply if the fulfilment is made in the transferred tax liability regime (reverse charge) and the Customer is obliged to make returns of VAT. The Customer shall pay all taxes, charges for transportation, insurance, shipping, storage, handling, demurrage caused by a carrier and similar items. Any increase in any such charges that becomes effective after the date of the Order Confirmation shall be borne by the Customer. An invoice payment shall be made net cash without any deductions and compensations within 30 days from the date of Delivery, unless the due date of the invoice payment is a bank holiday in the country of the receiving bank. In that case the invoice payment shall be made the last working day preceding the due date of the invoice payment. The date of payment shall be considered the day when the invoice amount corresponding to the full amount of the purchase price /nett and effective/, or another Customer's pecuniary debt is credited to the Seller's bank account. The Seller is entitled to request an advance on payment of the purchase price for goods; a basic document for such an advance payment is an advance invoice (a down payment request) due within 15 days commencing on the date of issue of the down payment request, unless any other due period is agreed by the Parties in the Order Confirmation. The Seller is also entitled to request from the Customer a reasonable security for a debt (a documentary letter of credit, bank guarantee, liability of another legal subject, issue of a promissory note or a blank bill, establishment of a lien or other appropriate security). In the case that the Customer fails to comply with this request within the time limit agreed, the Seller is entitled to suspend manufacture/shipment of the Goods or to withdraw from the Contract.

Should circumstances arise or the Seller has obtained information of circumstances implying that the Customer is or may become unable to fulfil its obligations to the Seller, or any other information, which may reduce trustworthiness of the Customer (bad financial situation, liquidation, circumstances indicating over indebtedness, bad payment morality, default longer than 30 days etc.), the Seller shall be entitled to demand from the Customer immediate payment of all financial obligations arising out of all invoices made out to date, regardless of their maturity date, and/or demand from the Customer an adequate security for the debt within an extent as stated in the foregoing sentence in these GCS. The Customer is obliged to pay such obligation to the Seller within 5 days after the date of delivery of the demand. In such a case the Seller is also entitled to demand the payment of the price of goods in advance concerning all unfulfilled deliveries, regardless the payment conditions agreed, or to withdraw from the Contract.

If the Customer is a subject to bankruptcy or insolvency proceedings, then the Seller shall not be bound by the period of payment stated above: the payment shall be made in cash either prior to the dispatch of the Goods or prior to their manufacture.

If the Customer fails to pay the entire outstanding amount on the due date, then the Customer shall be obligated to pay, ipso jure and without prior notification, interest on late payment pursuant to Act 89/2012 Coll., the Civil Code as amended, unless expressly provided otherwise, and a fixed compensation amounting to 10% of the invoice amount as a damage provision without prejudice to any other rights of the Seller caused by said payment failure. Any delay in the payment or in the execution of any obligation entered into by the Customer or where the Seller has a doubt as to the Customer's solvency or credit worthiness and the Customer is not prepared to effect an advance payment by a bank transfer or in cash or provide the

Seller with security as requested, then the Seller shall have the right to cancel the contract or retain that portion of the contract which has not been performed yet without the Customer's consent; in such cases this shall also result in all sums due which are to be paid by the Customer, even those which have not yet matured, becoming immediately payable without a notification on the part of the Seller.

The Seller reserves the right to compensate Customer's debts and/or to use payments for the settlement of the invoices which have been outstanding longer than 30 days plus any interest on arrears and costs accrued thereon, in the following order: costs, interest, outstanding amounts. The Customer shall not be entitled either to withhold payments or to proceed to any compensation even in such circumstances in case of a dispute. In any event, in the case of a payment delay, the Customer shall not be entitled to take any steps (neither sale, nor processing) which may affect the Goods. All bank fees, except for the Seller's bank fees, shall be borne by the Customer.

3. TRANSFER OF RISK - DELIVERY - SHIPMENT - VAT

3.01 Except as may be otherwise specified in writing, the transfer of risk shall take place at the Seller's plant before loading the Goods and in case of the use of Incoterms, the risk shall pass in accordance with the applicable term – the latest version of the Incoterms issued by the ICC - (Delivery). Should the Customer fail to take delivery of the Goods, the Seller may store them at the Customer's risk and expense and following a notification of their availability, invoice them as having been delivered. In any event, the Seller remains entitled, without any special notice, to resell the Goods and to claim applicable damages.

3.02 Unless otherwise specified in the Order Confirmation, the Goods are delivered to their destination and the Seller shall determine the route and means of transportation, as well as the selection of forwarding agents and carriers. The Customer shall be responsible to deliver to the Seller, sufficiently in advance in order to permit the Seller to make the necessary shipping arrangements, all appropriate information including (a) marking and shipping instructions, (b) import certificates, documents required to obtain necessary government licenses and any other documents required prior to the shipment of the Goods, and (c) if required - the Customer's confirmation that it has caused the opening or establishment of a letter of credit. If any such instructions, documents or confirmations are not received in the demanded extent or would (in the Seller's sole judgment) require unreasonable expense or delay on its part, then the Seller may, at its sole discretion and without prejudice as to any other remedies, delay the date of shipment and/or cancel the said Contract.

3.03 Unless otherwise expressly agreed, delivery times shall not be regarded as binding and delays in delivery shall not entitle the Customer to claim any damages resulting there from.

Delays in delivery shall only entitle the Customer to cancel the Goods not yet in the process of manufacture and only after having granted the Seller a reasonable grace period in order to remedy the said delay and only after having sent the Seller a formal written notice of default. Without prejudice to the provisions contained in Article 5 below, binding times for delivery shall only entitle the Customer to damages insofar as the Seller has been fully informed in writing at the conclusion of the contract of the possible loss and damage consequent to the delayed delivery and of a specific valuation of the different elements thereof.

In any event, in case of production delays, the Seller is entitled not to supply the whole quantity that the Customer has ordered in one delivery but can deliver by several subsequent partial deliveries.

The delivery shall be deemed fulfilled when the Goods are delivered with a tolerance of $\pm 5\%$ on weight.

3.04 In the event that the supply of the Goods is entitled to VAT exemption due to intra-community sales or the export destination of the Goods delivered, and the Customer takes the Delivery at his own risk and own expense for the whole or for a part of the carriage or transport (delivery terms EXW, FOB, FCA, etc.), the Seller shall only be bound to apply for a VAT exemption if the Customer provides it with substantial proof (the transport document: CMR, bill of lading, CIM, export declaration, etc.).

(a) On a simple Seller's request, the Customer shall send to the Seller within 10 working days from the receipt of the Seller's request the following:

- The copy of invoice for the delivered goods with the date and legible signature (name and surname) confirming the receipt of the goods delivered to the address given on the invoice in the assortment and quantity defined in the delivery specification, as referred to on the invoice,
- The copy of a delivery note or a transport document on which the confirmation of delivery of goods is placed.

(b) In case when the time limit, which is defined in point (a), is not respected, the Seller has the right to charge the Customer with contractual fines in an amount of one hundred Euro for each day of the delay. However, the fine cannot exceed the total VAT amount due on the delivery value, expressed in Euro.

(c) The Customer is obliged to inform the Seller immediately (within 1 to 3 days) about:

- Change of the Customer's VAT identification number for intra-community transactions,
- Change of the Customer's company's name and address.

4. CONFORMITY – INSPECTION

All deliveries are subject to the normally accepted tolerances as to dimensions and weight. Upon Delivery the Customer shall carry out an inspection of the Goods to check weight, length and width as stated in the Order Confirmation and any apparent defects and damage to the Goods (surface faults, package faults, etc.) shall then be noted and notified to the Seller. The Goods shall be considered automatically accepted defect less upon delivery to the Customer, if the Customer fails to make any comments in writing in respect thereof not later than 3 days after their delivery and before the Goods undergo any further processing. No claim shall be accepted by the Seller in respect of any defect, deficiency and/or failure of the Goods to meet the specific terms of the order which a reasonable inspection should have revealed but for which the said inspection was not made.

5. LIABILITY – CLAIMS

The Seller guarantees that the Goods are in conformity with the specifications contained in the Order Confirmation. The Customer shall have communicated to the Seller all necessary information to ensure (a) the adequate elaboration of these specifications and (b) information relative to the processing and/or the final use of the Goods; and the Customer recognizes

that the Seller's obligation of proper performance is fully satisfied when these specifications have been met at the time of Delivery.

Any technical advice provided by the Seller, before and/or during the use of the Goods, whether provided verbally or in writing or by way of trials, is given in good faith but without any warranty on the part of the Seller. The Seller's advice shall not release the Customer from its obligation to test the Goods supplied by the Seller as to their suitability for the intended processes and uses. The use and processing of the Goods are undertaken solely at the Customer's risk.

Defects undetectable at delivery must be notified to the Seller immediately upon discovery, by the registered letter return receipt requested, but, in any event, no later than 6 months after the Delivery (the Customer having the obligation to inspect the Goods thoroughly during the above-mentioned period).

The notification of defects and faults has to be supported with documents proving the claim justification.

The Goods shall not be considered as defective by the Seller when the defect claimed by the Customer does not exceed a value of one hundred Euro per the respective delivery.

In any event, the Customer must fulfil its obligation to avert or mitigate the damage and is not entitled to delay the payment of any outstanding invoices. If the Goods are considered as defective by the Seller, then the Seller is exclusively obliged, at its sole discretion, either to replace or reimburse such Goods, or, if the price has not been paid by the Customer yet, to reduce such price or to cancel the said Contract. The Seller shall not be liable for any loss of profit, loss of processing expenses, loss of production, loss of revenue and/or any other consequential or special damages directly or indirectly sustained by the Customer or by any other person whatsoever. The Seller can only be held liable for damages caused by its gross negligence or wilful misconduct duly proved by the Customer, and the Seller's liability will in any event be limited to 100 % of the invoiced value of the defective or damaged Goods.

6. RETENTION OF TITLE

The delivered Goods shall remain the Seller's property until fulfilment by the Customer of its payment obligations as described above.

As such:

- (a) If the Goods are processed combined, and/or mixed by the Customer with other goods belonging to him, then the Seller has the entire ownership on the new goods. If the Goods are processed, combined, and/or mixed by the Customer with other goods belonging to other suppliers, then the Seller has a joint ownership right in the whole value of the new goods with such suppliers. In such case, the Seller's ownership shall be calculated on the basis of the ratio of the invoiced value of the Goods to the invoiced value of all goods, which were used for manufacturing the new goods.
- (b) As long as the Customer is not in default and provided that it reserves its property rights, the Customer is entitled to resell the Goods in the ordinary course of business. The use of the Goods for executing service contracts and contracts for work, labour and material is herein regarded as a resale.
- (c) The Customer's receivables arising out of the resale of the Goods are assigned, for security purposes, exclusively to the Seller. The Customer is entitled to collect the receivables from reselling, unless the Seller withdraws the direct debit authorization in case of any doubt about the Customer's solvency and/or financial credibility or if the Customer is in arrears on any of its payments. In the event the Seller withdraws the direct debit authorization, the Customer is obliged to inform its clients immediately about the assignment to the Seller and that the Seller is the owner of the Goods, and to give the Seller all information and documents necessary in order to establish and confirm the Seller's rights with respect to third parties. The Customer is obligated to inform the Seller without delay about any garnishment and/or any other actions adversely affecting the Goods undertaken by third parties. If the value of the existing security interests obtained by the Customer for the benefit of the Seller exceeds in total more than 20 % of the total invoiced amount or of the contractual debt of the Customer, the Seller is obliged, upon the Customer's request, to release the Goods selected by the Seller.
- (d) The Customer shall have the sole liability for all risks and costs associated with the unloading, correct handling and suitable storage of the Goods and/or the new goods as described in article 6a) above. Moreover, the Customer undertakes to take a general liability all risks insurance policy, at its own cost, including coverage as to the deterioration and/or theft of all or a part of the Goods and/or of the new goods and shall provide to the Seller, at its first request, a certificate confirming both such insurance coverage and the payment of the insurance premium related thereto.

7. PACKAGING

Unless otherwise stated, the Customer shall be responsible for providing the packaging materials and of the means of protection, fastening and securing during transport of the Goods.

If the Customer fails to comply with this obligation and as a result of the said failure the Seller becomes liable for any danger of damages to the Goods, the Customer shall hold the Seller harmless from liability for any such danger. The Customer will not be able to pass on to the Seller the costs of destruction, recycling or storage of the Goods.

Notwithstanding the foregoing paragraph, whenever plastic supports are used for the securing of steel coils, those plastic supports remain the Seller's property and the Customer is obligated to return them at its own expense to the Seller.

The marking, if required, shall be made in accordance with the norms adopted by the Seller, unless other requirements from the Customer agreed by the Seller.

8. FORCE MAJEURE

The Seller's manufacture, shipment and delivery of the Goods hereunder shall be subject to, and the Seller shall not be liable for, any delay in or impairment of performance resulting in whole or in part from any war (whether or not declared), strike, labour conflict, accident, fire, flood, Acts of God, delay in transportation, shortage of materials, equipment breakdowns, laws, regulations, orders or acts of any governmental agency or body, or any other cause beyond the reasonable control of the Seller, or rendering performance by the Seller impracticable due to the occurrence of a contingency the non-occurrence of which was a basic assumption on which this Order Confirmation was issued.

In any such event, the Seller shall be entitled to such additional time to perform as may be reasonably necessary and shall have the right to apportion its production among its customers in such manner as it may deem equitable. This provision shall apply, mutatis mutandis, to the Customer. The occurrence of any such event of Force Majeure shall be notified in writing to the other party within 3 days of the occurrence of any such event.

9. JURISDICTION AND APPLICABLE LAW

These GCS are governed by and shall be construed in accordance with provisions of the Legal Order of the Czech Republic. Application of the Convention on Contracts for the International Sale of Goods of 11/4/1980 (the Vienna Convention) is excluded thereby. Any disputes arising out of or in connection with these GCS shall be settled by the competent Courts of the Seller's place of incorporation.