



Degerfors Long Products

STANDARD CONDITION OF SALES - DEGERFORS LONG PRODUCTS AB

1 APPLICABILITY

Except to the extent Degerfors Long Products AB (the "Seller") otherwise specifically agrees in writing, these Standard Conditions of Sale to the exclusion of any, and all other conditions and terms, are applicable to, and are an integral part of, every contract of sale ("Sales Contract") between the Seller and any other person who has purchased or has agreed to purchase any goods or articles from the Seller (the "Buyer"). Even if not expressly objected to by the Seller, any and all other conditions or terms which may be specified by the Buyer in the Buyer's purchase order or otherwise (whether oral, typed, written or printed) shall be deemed to be null and void and of no effect, irrespective of the fact that such conditions or terms may be specified subsequent to the Seller's written acceptance or acknowledgment of the Buyer's purchase order (the "Order Confirmation"). The goods and articles sold or to be sold by the Seller and purchased or to be purchased by the Buyer are referred to in these Standard Conditions of Sales as "Products".

2 OFFERS AND MATERIALS

An offer from the Seller is valid for a period of 7 days from the date of issue, unless otherwise expressly stated in the offer or the Sales Contract. Notwithstanding the foregoing, the Seller may revoke an offer at any time prior to receiving the Buyer's written acceptance.

Any advice on material selection or other similar assistance by the Seller is made free of charge without any representation or warranty and the Seller shall have no liability for any such advice or assistance.

3 ACCEPTANCE

The Buyer's purchase order must be complete with respect of any necessary/opportune details. The Buyer's purchase order may be accepted by the Seller in whole or in part. Such acceptance will be valid only if made by the Seller in writing on the Seller's form of Order Confirmation. The Buyer's purchase order will be binding on the Buyer unless and until it is rejected in writing by the Seller, and may not be cancelled, withdrawn, or modified by the Buyer; however, in the event of a partial acceptance by the Seller, the Buyer will no longer be bound with respect to the parts of the Buyer's purchase order not accepted by the Seller.

4 PRICES

- a) The Seller's Order Confirmation will set forth the prices for the sale of the Products by the Seller to the Buyer pursuant to the Sales Contract based on conditions existing as of the time of the Seller's Order Confirmation. The Seller reserves the right to change the prices at which the Product will be sold by the Seller and purchased by the Buyer pursuant to the Sales Contract in the event of any change in such conditions, including, without limitation, any change in material, labor or production costs, transport fees or any change in currency exchange rates. Such prices will also be subject to adjustment by the Seller if the Seller, at the Buyer's request, consents to a reduction in quantity or to a change in specifications or terms of delivery. The prices at which the Products to be delivered under the Sales Contract will be sold by the Seller and purchased by Buyer will be established by the Seller on the basis of conditions existing as of the time of shipment. In the event the prices so established by the Seller for any such Products exceed by more than ten percent the prices for such Products set forth in the Seller's Order Confirmation, the Buyer will have the right to cancel the Sales Contract with respect to such Products, without liability to either the Buyer or the Seller, provided the



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Buyer notifies the Seller of such cancellation in writing within ten days from the time the Buyer first obtains notice of such price increase.

- b) Unless otherwise specifically agreed to in writing by the Seller, all sales of Products supplied by the Seller are made EX WORKS, the Seller's mill, (INCOTERMS 2020) unless otherwise set out in the Sales Contract.
- c) The Seller's prices include inspection and packing, but do not include insurance or freight. Any insurance desired by the Buyer must be provided by the Buyer at the Buyer's own expense. Any sales excise or similar taxes, as well as any customs duties, which the Seller pays or may be required to pay will be added to the Seller's prices for the Products. If, for any reason, such taxes or duties are not added to such prices, the Buyer assumes full responsibility for payment of such taxes and duties directly to the appropriate authorities. Upon the Seller's request, the Buyer will pay the amount of such taxes and duties to the Seller.

5 MODIFICATIONS

The Sales Contract cannot be modified or cancelled in any respect without the Seller's express prior written consent, and then only after the arrangement of terms which will compensate the Seller fully for any and all losses. The Seller may, at its sole discretion, cancel any Sales Contract without liability should the Buyer request, in the Seller's opinion, unreasonable modifications of the Sales Contract.

The weight valid for the invoice is that of departure. Unless the Seller otherwise specifically agrees in writing, the Buyer will accept an over-run or an under-run of ten percent (10%) of the quantities specified in the Seller's Order Confirmation. Although the Seller undertakes no obligation to do so, the Seller will make a reasonable effort to supply as nearly as possible as conditions permit the quantities of Products specified in the Seller's Order Confirmation.

Only differences exceeding such tolerance can be subject to Buyer's claim. Expenses of the weight control at the time of delivery are at Buyer's charge. If the Buyer needs that the weight of the material and the tare be checked by a public body, all related expenses shall be on the Buyer.

6 PRODUCT SPECIFICATIONS

Products will be supplied by the Seller to the Buyer in material accordance with specifications applicable at the time of their manufacture. In the event of any change or modification in specifications with respect to any Products which have been manufactured prior to the introduction of such change or modification, the Seller shall not be bound by any data or information contained in any price list or any other publication of the Seller.

7 PACKING

Packing will be carried on according to the Seller's experience. Save for fraud or gross negligence, the Seller shall not be liable for any losses and/or averages in this respect. Except as otherwise agreed in the Seller's Order Confirmation, packing will be invoiced for goods. Use of particular packing, or exclusion of the packing of Products for which it is not normally used, must be expressly requested by the Buyer at the time of issuance of the relevant order and any expenses thereupon shall be at the Buyer's charge.



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8 DELIVERY

- a) Subject to the provisions under article 5, Products are shipped at the Buyer's risk and danger, and it shall be up to the Buyer to make any claims and/or actions against the carrier, in case of difference in weight and averages occurred following loading of the Products on the transport vehicles.
- b) Any delivery dates indicated by the Seller, whether in the Seller's Order Confirmation or otherwise, are good faith estimates only and are not binding on the Seller. The Seller shall under no circumstances be responsible or liable for any delay in delivery or for any failure to make delivery for any reason whatsoever. If, however, following receipt of the Seller's Order Confirmation, the Buyer notifies the Seller in writing that delivery of any Products is required by either the estimated delivery date specified in the Seller's Order Confirmation or by a later date specified by the Buyer in such notice, and the Seller fails to deliver such Products by ninety (90) days after the required delivery date, the Buyer may cancel the Sales Contract with respect to such Products by notice in writing to the Seller, unless the Seller's failure to deliver such Products within such time is due, by way of example, to ordinance or regulation, strike or other labor trouble, riot or other civil disturbance, inability to secure raw material or supplies or, without limiting the foregoing, by any other cause, contingency or circumstance beyond the Seller's control which prevents or hinders the manufacture or delivery of the Products. Such cancellation should be without liability to either the Buyer or the Seller.
- c) The Buyer is required to promptly provide the Seller with all the information necessary to permit the Seller to proceed with the manufacture or acquisition of the Products without delay or interruption. Products will be delivered by the Seller EX WORKS to a common carrier designated by the Buyer. If no instructions are received from the Buyer, the Seller will forward the Products, at the Buyer's expense, in such manner as the Seller shall determine in the exercise of the Seller's reasonable judgment. The Buyer will accept partial deliveries. Upon delivery to the common carrier, all risk of loss or damage to the Products shall pass to the Buyer.
- d) The Seller may place in storage any Products which are ready for delivery, but which cannot be delivered due to any cause occasioned by the Buyer. Upon such storage (i) delivery to the Buyer of the Products placed in storage shall be deemed to have been made to the Buyer, (ii) all risk of loss or damage with respect to such Products which has not previously passed to the Buyer shall pass to the Buyer immediately and (iii) all amounts otherwise payable to the Seller upon delivery, as well as all expenses incurred by the Seller in connection with the storage, preparation, handling, freight, inspection, preservation or insurance of the Products placed in storage shall be paid by the Buyer upon presentation of the Seller's invoice.

9 PAYMENT

- a) Unless the Seller otherwise specifically agrees in writing, payment for the Products shall be made in as the currency set forth in the Sales Contract; in the event the Seller does not require payment in full prior to or upon delivery of the Products to a common carrier, the entire amount of the purchase price for the Products shall be payable thirty days from the date of delivery, unless otherwise agreed between the parties.
- b) The full purchase price for the Products shall be paid by the Buyer regardless of any dispute or controversy related to the Sales Contract or any other transaction or to other delivered or undelivered Products. The Buyer will not withhold payment or offset any payments against any claims of the Buyer which are disputed by the Seller. No discount may be taken unless specifically



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agreed to by the Seller in writing. Any check or remittance received from or for the account of the Buyer may be accepted and applied by the Seller against any and all indebtedness or obligation owed by the Buyer regardless of any condition, provision, statement, legend, notation, document, or writing appearing on, referring to or accompanying such check or remittance.

- c) Retention of Title
- i) The Seller holds the title to the Products delivered until the Buyer has made full payment for the Products.
 - ii) The Seller also holds title to the Products delivered until the Buyer has made full payment of all other monies due from the Buyer to the Seller.
 - iii) Until the title passes, the Seller has the right to recover the Products in the Buyer's possession or control and the Seller is hereby given the right to enter any land or building where the Products are stored to collect the Products.
 - iv) If the Buyer processes the unpaid Products into/or to form part of a "New Object", the Seller is granted title to the New Object proportionate to the value of the unpaid Products in the New Object until such time as it has received full payment for the original Products.
 - v) If the Buyer sells any unpaid Products or New Object, the Buyer hereby assigns to the Seller a proportion of its claim on any third-party equivalent to the debt for the unpaid Products/New Object sold.
 - vi) Each sub clause (i)-(v) above shall have effect as a separate clause and accordingly in the event of any of them being unenforceable for any reason, the others shall remain in full force and effect.
- d) If any payment is not made when due, a late charge will be paid by the Buyer from the due date until the date of actual collection by the Seller, calculated according to the average EURIBOR (Euro Interbank Offered Rate) 3 months rate from the date of payment due +7 % spread.
- e) Upon the failure of the Buyer to make any payment of the purchase price, or in the event of any other default, breach or repudiation by the Buyer of the Sales Contract or any other transaction with the Seller, or if the Buyer should become insolvent, call a meeting of creditors or make a general assignment for the benefit of creditors, or if a bankruptcy, insolvency, reorganization or arrangement proceeding shall be commenced by or against the Buyer, the Seller may, at its option, in addition to any other remedies provided by law, do any or all of the following:
- i) cancel the Sales Contract or any part thereof, as well as any other contract of sale with the Buyer (the Buyer remaining liable for damages),
 - ii) declare all outstanding amounts owed by the Buyer pursuant to the Sales Contract, or any other contract of sale with the Buyer, immediately due and payable irrespective of the terms of sale,
 - iii) defer delivery under the Sales Contract, or any other contract of sale with the Buyer, until all obligations of the Buyer shall be paid, and for a reasonable time thereafter, and
 - iv) sell all or any part of any undelivered or repossessed Products, without notice, at public or private sale, holding the Buyer responsible for the costs and expenses of such sale (including reasonable attorneys' fees) and for any difference between the agreed purchase price for such Products and the amount realized from the sale thereof (the Seller having the right to become the purchaser of such Products at any such sale). Without prejudice to the foregoing, the Buyer shall have to reimburse any- and all damages suffered by the the Seller



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and shall not have the possibility of requesting any indemnity and/or rewards for the supply interruption.

10 WARRANTIES

10.1 Express Warranties

The Seller warrants that all Products sold by the Seller are delivered free from defects (faults) and in agreed quantity when risk for loss and damaged to the Products transfers to the Buyer according to the agreed Incoterm (with agreed deviations). The Seller further warrants that it will have good title to all Products sold by the Seller to the Buyer.

10.2 Disclaimer of Further Warranties

EXCEPT AS SET FORTH IN ABOVE IN THIS SECTION 11, NO WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESS OR IMPLIED, IS MADE BY THE SELLER WITH RESPECT TO THE PRODUCTS (INCLUDING, WITHOUT LIMITATION, ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE) AND NONE SHALL BE IMPLIED BY LAW.

11 WITHDRAW

In addition to acts of God, force majeure and/or other events that are not under the Seller's control, included state of alarm, mobilization, blockade and war even in countries supplying raw materials, strikes, and personnel protests, occupation of factories, lock-out, fire, flooding, public calamities etc. as well as in case of measures of the Commission of the European Union or national regulatory authorities aiming at limiting the consumption of certain raw materials and the production and distribution of the steel and of the Products the Seller shall have the right to withdraw from the Sales Contracts, upon the occurrence of facts and circumstances that will substantially alter the market state and the currency value, and the Italian industry conditions. In these cases, if the Seller withdraw from the Sales Contract independently from its responsibility, the Buyer shall not have the right to receive any indemnities, rewards or reimbursements and shall pay, if required by the Seller, the Products completed or to be completed.

12 LIMITATION OF LIABILITY

SAVE FOR WILFUL MISCONDUCT OR GROSS NEGLIGENCE, THE SELLER SHALL NOT BE LIABLE, AND THE BUYER WAIVES ALL CLAIMS AGAINST THE SELLER, FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL LOSS OR OTHER DAMAGES. THE BUYER'S SOLE AND EXCLUSIVE REMEDY AGAINST THE SELLER FOR ANY CAUSE OF ACTION IS SET FORTH IN SECTION 14. IN ANY CASE, IN NO EVENT WILL ANY RECOVERY OF ANY KIND FOR ANY CAUSE OF ACTION BY THE BUYER AGAINST THE SELLER EXCEED THE PURCHASE PRICE FOR THE SPECIFIC PRODUCTS AS TO WHICH THE CLAIM IS MADE. In particular, and not by way of limitation, the Seller will be liable to the Buyer for any loss, damage or injury to persons or property resulting from the handling, storage, transportation, resale, or use of the Products in manufacturing processes, whether in combination with other substances or otherwise. The Seller shall have no liability for any claim whatsoever when notification is made more than one year after the date of delivery.



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13 LIMITATION OF CLAIMS BY THE BUYER

Promptly after the receipt of each shipment (and not later than fourteen (14) days), the Buyer shall test and inspect the Products received for compliance with the Seller's specifications and Order Confirmation. If the Buyer fails to notify the Seller of non-conformity within ten (10) days after the Buyer receipt of any shipment (or with respect to latent non-conformity, within ninety days after such receipt), and before any part of the Products (except for reasonable test and inspection quantities) has been utilized or otherwise changed from their original condition, that the Products do not conform in any respect (faults or shortage), the Buyer shall have waived any rights or claims against the Seller. In case the claim is considered well-founded, after the Seller's verification, the Sales Contract cannot be cancelled but the Seller is obliged to replace the material in the same conditions and in the same place of delivery of the initial supply, after the return of the rejected Product. This replacement obligation excludes any other remedies, including but without limitation, price reductions, expense reimbursements and compensation of any further kind including, without limitation, damages and/or loss of profit.

Alternatively, if the Product supplied is defective, the Seller may, at its sole discretion, refund the purchase price of the Products, when paid, after return of inadequate material or deliver replacement Products. Refund or replacement are the exclusive remedies for the Buyer in case of defects or shortages.

In any case, Products may not be, partially or wholly, returned by the Buyer without the Seller's prior written approval. The Buyer shall bear the risk and expense of return shipments.

14 TITLE TO DRAWING AND SPECIFICATIONS

The Seller shall at any time have title to any, and all drawings and specifications furnished by the Seller to the Buyer and intended for use in connection with the Sales Contract and shall not disclose such drawings and specifications only in connection with the Sales Contract. The Buyer shall use such drawings and specifications only in connection with the Sales Contract and shall not disclose such drawings or specifications to any person, legal or physical, other than the Seller's or Buyer's employees or subcontractors. The Buyer shall, upon the Seller's request, or upon completion of the Sales Contract either return to the Seller all drawings and specifications or destroy such documents, at the Seller's sole discretion.

15 GOVERNING LAW

The Sales Contract shall be governed by material Swedish law with exclusion of its conflicts of law rules and the United Nations Convention on the International Sale of Goods (CISG) (save for clause 17, third paragraph).

16 APPLICABLE FORUM

Any dispute, controversy or claim arising out of or in connection with the Sales Contract, or the breach, termination or invalidity thereof, shall be settled by arbitration administered by the Arbitration Institute of the Stockholm Chamber of Commerce (the "SCC").

The Rules for Expedited Arbitrations shall apply, unless the SCC in its discretion determines, taking into account the complexity of the case, the amount in dispute and other circumstances, that the Arbitration Rules shall apply. In the latter case, the SCC shall also decide whether the Arbitral Tribunal shall be composed of one or three arbitrators. The legal place of arbitration shall be Stockholm, Sweden, and the language of the arbitration shall be English.



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Notwithstanding the arbitration clause above, the Seller shall in its sole discretion for the purpose of collecting debts of the Buyer, be entitled to submit any claim against the Buyer in the courts and authorities of the Buyers country of domicile or country where the Products are located. In such a case the governing law will be the law of the country where the claim is filed.

17 SEVERABILITY

If any provision of the Sales Contract shall be held invalid or unenforceable for any reason whatsoever, or to violate any law of any nation, or of any state, territory, or other political subdivision thereof which may be applicable, or any code or regulation adopted, or any governmental proclamation or order issued, in accordance with any such nation, state, territory or political subdivision, be ineffective and void to the extent of such prohibition or illegality, without invading any of the remaining provisions of the Sales Contract.

18 NOTICE

Any notice required or contemplated by the Sales Contract shall be addressed to the parties at their respective addresses as shown in the Seller's Order Confirmation, with written notice to such address deemed to be sufficient, unless and until the Seller or the Buyer shall specify another address for such noticed to itself, by notice in writing to the other party.

19 ASSIGNMENT

Neither the Sale Contract nor any part thereof may be assigned, or performance there under delegated by the Buyer without first obtaining the Seller's prior written consent.

20 HEADINGS

The headings contained in these Standard Conditions of Sale are for reference purposes only and shall not affect the meaning or interpretation of these Standard Conditions of Sale.