

General Terms and Conditions for Purchasing of Goods and Services by thyssenkrupp Materials Poland S.A., with its registered office in Toruń, Poland, effective since 16-10-2017 replace version 01-05-2015

I. General Provisions

1. The present General Terms and Conditions for Purchasing of Goods and Services shall be applicable to all supply contracts/sale contracts for goods and/or services concluded by thyssenkrupp Materials Poland S.A., with its registered office in Toruń, Poland, as the recipient/purchaser.
2. The terms as used hereinafter shall denote
 - Supplier – entity which is the other party of the supply contract/sale contract (contracting party thyssenkrupp Materials Poland S.A.)
 - Contractor – thyssenkrupp Materials Poland S.A., with its registered office in Toruń, Poland
 - Parties – the Supplier and the Ordering Party
 - Order – document issued by the Ordering Party stipulating the principles of the content of the supply contract/sale contract concluded by the contracting parties. If in the subsequent parts of the present General Terms and Conditions for Purchasing of Goods and Services reference is made to the order it shall also denote the contract concluded.
 - General Terms and Conditions for Purchasing of Goods and Services – the present Terms and Conditions for Purchasing of Goods and Services concluded by thyssenkrupp Materials Poland S.A., with its registered office in Toruń, Poland.
3. The present Terms and Conditions for Purchasing of Goods and Services are a complete and the only contractual agreement binding on the two parties with regard to the purchasing of goods/services by the Ordering Party. Any other agreements (general terms, master contracts, by-laws, etc.) applied by the Supplier shall not be applicable and shall not be binding on the Ordering Party even if they have been provided to the Ordering Party.
4. The present Terms and Conditions for Purchasing of Goods and Services shall be modified only in a written form, otherwise they shall be null and void. Concluding a separate supply contract/sale contract or a framework contract shall exclude the application of the present Terms and Conditions for Purchasing of Goods and Services only the range provided for in the contract in a different manner. In matters not provided for in the above-mentioned contracts the present Terms and Conditions for Purchasing of Goods and Services shall be applicable.
5. The Supplier shall be obliged to sign the Supplier Code of Conduct delivered in a separate document.

II. Conclusion of a Contract

1. The basis of concluding an individual contract is the Order placed with the Supplier by the Ordering Party.
2. The Supplier shall undertake to confirm the acceptance of the order in a written form and provide the Ordering Party with the confirmation by fax or electronic mail within 3 working days from the date of placing the Order. The Ordering Party shall be entitled to withdraw (cancel) or modify the Order placed before the reception, from the Supplier, of the confirmation of the order acceptance. If the Supplier does not accept, in any scope, the content of the Order then the Supplier shall immediately, not later than within 3 working days from the placing of the Order, notify of it the Ordering Party in a written form, otherwise it shall be null and void, and, in possible, indicate the terms and conditions under which the Order may be executed (the notification may be provided to the Ordering Party in the form of e-mail or fax message). If the Ordering Party, on pain of invalidity, accepts in a written form the terms and conditions indicated by the

Supplier in the above-mentioned notification then the contract is concluded and otherwise the Ordering Party shall cease to be bound by the Order and the contract shall not be concluded.

3. Failure to provide a written notification to the Ordering Party of no acceptance of the content of the Order within a term specified in point 2 shall denote that the Supplier has accepted the Order and approved it for execution which shall mean the supply contract/sale contract has been concluded between the parties and its content stems from the Order.
4. The Supplier shall not be entitled to entrust the execution of the Order to third parties without express agreement by the Ordering Party in a written form on pain of invalidity. The Supplier shall be fully responsible for actions or omissions by persons and entities taking part in the execution of the Order considering the terms and conditions of the Order, General Terms and Conditions for Purchasing of Goods and Services, and other agreements made between the parties in writing on pain of invalidity.

III. Delivery Terms and Dates

1. The prices of the goods and/or services purchased by the Ordering Party shall be specified in the Order. The prices shall include all taxes (except for VAT), margins, insurances, and any other costs which may be incurred by the Supplier because of the execution of the Order as well as all packaging materials, protections, reinforcements, and fastenings of the goods.
2. The execution of the Order shall take place according to the terms and conditions of delivery stipulated in the Order.
3. The Supplier shall be obliged to deliver to the Ordering Party, together with the goods, all documents related to the goods such as mill certificates/material certificates, quality certificates, declarations of conformity, as well as any other documents required by the law, appropriate standards or those indicated by the Ordering Party in the Order.
4. The Supplier shall be obliged to deliver the goods/to perform the services within the term specified in the Order.
5. The Supplier shall be obliged to notify immediately the Ordering Party in a written form on pain of invalidity of any possible delays in the Order execution as well as of any possible corrective measures undertaken. The above-specified notification does not exclude and does not limit the responsibility of the Supplier for any delay in the Order execution.
6. The delay in the Order execution exceeding 14 calendar days shall entitle the Ordering Party to withdraw from the contract concluded on the basis of this Order in full or in part, at the Ordering Party's discretion, within 4 months from the date of occurrence of the delay. For the delay in the Order execution the Supplier shall pay to the Ordering Party a contractual penalty of 0.5% of the value of the Order for each day of the delay in the Order execution, maximum up to 20% of the value of the Order.
7. The Ordering Party shall be entitled to seek supplementary damages on general principles in case the stipulated contractual penalty does not cover the full damage incurred.
8. The delivery document must contain information enabling full identification of the goods in relation to the Order (including indication, in the delivery document, of the lot number, package number or heat number, and the number and date of the Order).
9. The goods delivered shall be full identifiable (tags, markings, hallmarks on the material and corresponding markings in the documents accompanying this delivery).
10. The delivered goods shall be prepared for easy unloading in the manner adequate to the type of the Goods.
11. The Supplier shall be obliged to notify the Ordering Party effectively of the shipment of the goods (specifying means of transportation and the number of the vehicle, list of goods and quantities with division into

heats/production lot/etc.) at the latest 1 working day before the scheduled delivery.

12. If the Order specifies that the Ordering Party shall collect the Goods from the Supplier on the Ordering Party's own then the Goods shall be properly prepared by the Supplier and loaded on the provided means of transportation.
13. The Supplier shall protect the Goods against damage and weather conditions for the time of transportation, storing, and handling/unloading, i.e. throughout the entire logistics process of the execution of the order.
14. The Supplier shall be obliged to ensure proper transport of the Goods by any appropriate means of transportation and using appropriate equipment and fixtures. The Supplier shall bear full responsibility for persons employed during the execution of the Order (including forwarding agents and carriers) and the Supplier cannot release himself from the responsibility indicating no fault in selection or entrusting the act to an entity performing such acts within their professional activity. The Supplier shall be responsible for the timely payment of amounts due to entities participating in the execution of the Order, in particular amounts due to forwarding agents and carriers.
15. The Supplier shall be obliged to provide the Ordering Party with declarations of conformity of the goods with ROHS and REACH requirements together with the Goods.
16. The Supplier shall be obliged to provide the Ordering Party with mill certificates in an electronic form not later than on the day of the delivery to the address quality@tkmaterials.pl
17. The title to the goods shall be transferred to the Ordering Party at the moment of handing over the goods to the Ordering Party.
18. The Supplier of the Goods shall be obliged to notify the Ordering Party in a written form on pain of invalidity of any possible limitations in the trade of the goods offered by the Supplier resulting from the provisions of law in force (national and/or European Union laws) including provisions of law classifying the ordered goods as military goods or dual-use items at the latest on the working day following the day when the Ordering Party places an order for given goods. The above-specified information shall contain, in particular, the indication of a category and exact position under which given goods have been mentioned in a given legal act classifying the goods as military goods or dual-use items. The Ordering Party shall be entitled to cancel an order/withdraw from renounce the contract referring to the goods classified as military goods or dual-use items within 3 months from the date of the Supplier's notifying the Ordering Party of such classification of the goods ordered, and, if the Supplier fails to provide such notification, within 3 months from the date when the Ordering Party actually becomes aware of the classification of the goods as military goods or dual-use items.

IV. Claims and Quality of Goods/Services

1. The Goods shall bear no traces of corrosion, damages, or any other faults. Faulty goods are also goods whose any parameter or property is not compliant with the ones specified in the certificate or any other document of this type (e.g. quality certificate) even if a given parameter or property is within a standard referring to this type of goods.
2. The Supplier shall guarantee that the goods shall be free from any defects and third-party claims, shall conform to their intended purpose as well as shall be in accordance with the Order, with the standards referring to the goods on the territory of Poland and on the territory of the European Union as well as be in accordance with the Supplier's declarations specified in the certificate, quality certificate or other document received from the Supplier.
3. The Supplier shall be responsible for defects in the goods disclosed within 36 months from the date of handing over the goods to the Ordering Party.

The present General Terms and Conditions for Purchasing of Goods and Services, together with the Order accepted for execution, shall be a guarantee document unless the Supplier provides the Ordering Party with a separate guarantee document ensuring to the Ordering Party greater protection than the one resulting from the present General Terms and Conditions for Purchasing of Goods and Services. The Supplier shall be responsible for defects in the goods found within of 36 months from handing over the Goods to the Ordering Party. To secure by the Ordering Party claims and rights under the guarantee and warranty notification by the Ordering Party of deficiencies in quantity/deficiencies in quality before the lapse of periods indicated in this point is sufficient.

4. The Ordering Party reserves the right to refuse to unload and to accept the goods not complying with the Order, the General Terms and Conditions for Purchasing of Goods and Services or with the Supplier's declarations, including those resulting from certificates, quality certificates, etc.
5. The Ordering Party's collecting the goods without reservations does not prevent and does not limit any rights of the Ordering Party, in particular those under the warranty or guarantee.
6. The Ordering Party shall be entitled to notify the Supplier of any visible defects of the goods which may be detected during visual inspection without unpacking the goods or of deficiencies in quantity within 30 days from the collection of the goods and other defects of the goods may be notified by the Ordering Party within 30 days from the detection of the defect. The Ordering Party may notify of the defect in any form, including telephone, fax or electronic mail. In case of notification of deficiencies in quantity or deficiencies in quality the Supplier shall be obliged to address the claim notification in a written form on pain of invalidity within 5 days from the date of notification. Failure to obtain response from the Supplier by the Ordering Party referring to the deficiencies in quantity/deficiencies in quality shall be interpreted as acknowledging by the Supplier the circumstances indicated by the Ordering Party in the claim notification and acknowledging the claim by the Supplier.
7. Both under the guarantee and under the warranty the Supplier shall be obliged, at the Ordering Party's own discretion, to:
 - a. in case of deficiencies in quantity - deliver, at the Supplier's own expense, the missing quantity of the goods or issue a correcting invoice for the missing quantity of the goods immediately, not later than within 7 days from the notification of the deficiencies in quantity;
 - b. in case of deficiencies in quality - replace, at the Supplier's own expense, the defective goods with the goods free of defects or repair the goods or collect the defective goods, at the Supplier's own expense, and refund the price for the goods immediately, not later than within 30 days from the date of the defect notification.
8. Regardless of the rights and claims under the quality guarantee and warranty the Ordering Party shall be entitled to damages for the loss the party suffered as a result of the delivery of defective goods or the goods defective in quantity and for the loss resulting from the Supplier's delay in fulfilling the Supplier's obligations under the quality guarantee or warranty. The loss referred to in the previous sentence covers in particular costs of disassembling and re-assembling the goods, costs of processing the goods, costs of transportation, contractual penalties and damages claimed from the Ordering Party by its contractor who purchased the defective goods from the Ordering Party.
9. In case of the Supplier's delay in realizing the obligation under the guarantee or warranty selected by the Ordering Party, the Ordering Party shall be entitled to withdraw from a given contract within the scope of the defective goods within 3 months from the occurrence of the delay.
10. The Ordering Party shall be entitled to leave the questioned goods at the Supplier's disposal if the deficiencies in quality were detected during

unloading. The Supplier shall be obliged to collect such Goods within 7 working days from the notification. The Ordering Party shall not be responsible for loss or damage of the goods which take place after the lapse of the above-specified time. The Ordering Party shall be entitled to charge the Supplier for the costs related to the fulfillment of such a delivery, unloading, loading, and storing and to withhold the releasing of the goods till the payment of these costs by the Supplier.

11. The Ordering Party reserves the right to charge the Supplier for the costs of processing the goods, missed production, missed sales, and costs indicated by a contractor who acquired the defective goods from the Ordering Party.
12. The Ordering Party shall be entitled to withhold the payment of the price for the goods referred to in the defect notification or the equivalent of the price of the goods till the final settlement of the claim by the Supplier and satisfying the claims of the Ordering Party related to the defectiveness of the goods.
13. The Supplier shall enable staff members of the Ordering Party to carry out an audit of the quality of the goods/services directly at the Supplier's site and, if necessary, also at the Supplier's sub-contractor's site. The Supplier shall be obliged to take into consideration recommendations of the Ordering Party presented in a report following the audit.

V. Payments, Assignment

1. The term for the payment of the price for the goods shall run from the delivery to the Ordering Party a VAT invoice issued after a full execution of the Order by the Supplier which encompasses the delivery of the goods in accordance with the order as well as the delivery to the Ordering Party all the necessary documents required by the law, the present General Terms and Conditions for Purchasing of Goods and Services as well as those documents indicated in the Order (tags, mill certificates/certificates, quality certificates, declarations of conformity, etc.).
2. The Supplier shall be obliged to indicate, in the VAT invoice, the Supplier's bank account number (IBAN), the name of the bank, and SWIFT/BIC of the bank for payments in currency other than PLN to which, according to the concluded contract, the price for the goods and/or services shall be paid in. The payment for the goods and/or services by the Ordering Party shall be made to the bank account indicated in the invoice and, if the bank account is not stipulated in the invoice, to the bank account stipulated in the contract. Any changes in the bank account number into which the Ordering Party shall pay the price of the goods/services may be carried out by the Supplier exclusively on a notification of such a change delivered to the Ordering Party in a written form on pain of invalidity in the original, signed by persons authorized to represent the Supplier together with the specimen signature card (bank specimen signature card). The above-named notification shall be delivered to the Ordering Party by mail and, additionally, by electronic mail. In case of non-resident Suppliers the change of the bank account number shall be sent in the form of a SWIFT message to Bank Handlowy w Warszawie S.A. ul. Senatorska 16, 00-923 Warszawa to the SWIFT address: CITI PLPX. In case the full set of the above-specified documents is not provided or the SWIFT message is not maintained the Ordering Party shall be entitled to withhold the settlement of the payment until the documents are complete and the Supplier must not treat these items as demandable claims.
3. Any provisions or reservations published unilaterally by the Supplier on invoices which do not result from the contract concluded between the Ordering Party and the Supplier (including reservations referring to the title of ownership to the goods) shall not be binding on the Ordering Party.
4. The costs related to the carrying out of the payment for the goods/services shall be covered in the following manner: the Ordering Party shall cover the fees of the Ordering Party's bank while other costs of other banks

including foreign banks (intermediary bank and beneficiary's bank) shall be covered by the Supplier – according to SHA formula.

5. The assignment of debts owed by the Ordering Party to the Supplier may take place exclusively after a written consent of the Ordering Party on pain of invalidity.
6. On the application by the Ordering Party the Supplier shall be obliged to provide the Ordering Party with the information on the trade credit granted to the Supplier including, in particular, the name of the insurer, the amount of the credit applied for and the amount of credit granted, and the part of the credit used. The Supplier shall also undertake to notify the Ordering Party on any changes in the value of the trade credit limit.

VI. Confidentiality

1. Any oral and written information provided to the Supplier by the Ordering Party related to *know-how*, specifications, procedures, and any other technical information, documents, and data of the Ordering Party, including financial data, shall be treated by the Supplier as confidential and shall not be revealed to third parties without a prior written consent of the Ordering Party on pain of invalidity. The above confidential information shall be used by the Supplier exclusively for the purposes of executing the Order or drawing up an offer.

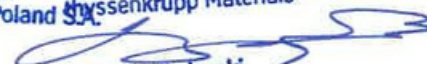
VII. Jurisdiction, Governing Law, and Final Provisions

1. The court competent for resolving disputes, if any, shall be a common court of law of factual jurisdiction in Toruń, Poland.
2. Exclusively the provisions of the Polish law shall be applicable for the contracts concluded between the parties. The application of the United Nations Convention on Contracts for the International Sale of Goods signed in Vienna on 11 April 1980 and the Convention on the Limitation Period in the International Sale of Goods signed in New York on 14 June 1974 shall be excluded in full.
3. If particular provisions of the present General Terms and Conditions for Purchasing of Goods and Services turn out to be invalid or ineffective it shall not influence the validity and effectiveness of the remaining provisions. In such a case the parties shall undertake to approve such provisions which effectively reflect the previous provisions.
4. In case of discrepancies between the present General Terms and Conditions for Purchasing of Goods and Services and the content of the order, the provisions of the order shall prevail.

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