

**GENERAL TERMS AND CONDITIONS OF CONTRACTS OF THE COMPANY
CELSA "HUTA OSTROWIEC" SP. Z O.O.**

DEFINITIONS AND GENERAL PROVISIONS

§1

[Introductory provisions - scope of application]

1. Subject to paragraph 2, General Terms and Conditions ("GTC") apply to:
 - 1) purchase of Goods by Huta (i.e. contracts for the sale and delivery of Goods by Business Partners for the benefit of Huta),
 - 2) contracts for the provision of services,
 - 3) contracts for the carriage of Goodsand to any activities relating to or preceding the conclusion of the said contracts and to Orders placed by Huta for Goods and services, unless Huta and the Business Partner agree otherwise in a Contract concluded between them.
2. Detailed issues related to concrete types of Contracts referred to in paragraph 1 above are set forth in adequate special terms and conditions of contracts, separate for each Contract type. In the event of any discrepancy or contradiction between the GTC and detailed terms and conditions of Contracts, the detailed terms and conditions will take priority.
3. These general Terms and Conditions do not apply to the purchase of scrap, ferroalloys and additives by Huta;

§2

[Definitions]

For the purpose of the GTC, the following terms will have the meaning given to them in this paragraph:

- 1) **Business Day** – any day apart from Saturdays and days which are statutory holidays in Poland according to Statutory Holidays Act of 18 January 1951;
- 2) **Business Partner** – an entity conducting business and party to a Contract concluded by Huta; the Contract should specify its full business name, address, tax identification number or other identifying number, the number under which it is registered in the business register of the Polish Court Register or other relevant register, and also the details of a representative (name, address, function/position, address for correspondence, email, fax);
- 3) **Civil Code or CC** – the Civil Code of 23 April 1964;
- 4) **Confidential Information** – the information referred to in §36 of the GTC;
- 5) **Contract** – any individual contract concluded by Huta and a Business Partner; a Contract is also deemed to be an Order sent by Huta to a Business Partner, which will be accepted in writing; a Contract may also be concluded in particular as a result of:
 - 1) an Offer being submitted by a Business Partner in response to a Quotation Request sent by Huta and acceptance of the Offer by Huta;
 - 2) an Offer being submitted by a Business Partner on its own initiative and acceptance of the Offer by Huta;
 - 3) a Business Partner proceeding to perform an Order placed or an Offer filed by Huta with the Business Partner;
- 6) **Force Majeure** – circumstances not caused by any of the Parties, which are beyond their control and could not have been anticipated when a Contract was concluded and that cannot be overcome without serious difficulty and costs, and preventing or seriously hindering performance of the Parties' obligations under a Contract, particularly was declared or not, civil wars acts of terrorism, acts of terrorism and the serious threat of terrorism, any action taken by public authorities in relation to the threat of terrorism, embargoes and restrictions on imports or exports, acts of civil or military authorities, sanctions, boycotts, fire, floods, accidents, strikes, epidemics or threats epidemic (except for strikes of the Business Partner's and/or the Subcontractor's employees);
- 7) **Goods** – any type of product, device, tool and/or services constituting the subject-matter of a Contract and described precisely therein;
- 8) **GTC** – these General Terms and Conditions;
- 9) **Hazardous Materials** – hazardous materials within the meaning of Commission Decision no. 94/3/EC (i.e. the European Waste Catalogue);
- 10) **Hazardous Materials** - hazardous materials within the meaning of the Commission Decision of May 3, 2000 2000/532 / EC (the so-called European Waste Catalogue);
- 11) **Huta** – means CELSA "HUTA OSTROWIEC" sp. z o.o. with its registered office in Ostrowiec Świętokrzyski (address: ul. Samsonowicza 2), entered in the business register of the Polish Court Register kept by the District Court in Kielce, 10th Commercial Department of the Polish Court Register, under number 123124, NIP: 5272312319, share capital: PLN 222,445,000;
- 12) **Order** – an order placed by Huta with a Business Partner, particularly an order placed pursuant to a Contract between Huta and the Business Partner and an order placed on the order form used by Huta without a Contract being concluded in advance; an Order should describe the service or Goods, the Goods' quantity, mechanical properties or technical parameters and, depending on the circumstances in a given case, the Goods' delivery or service provision date, details of the Huta Representative, the date on which it was placed, and the Contract based on which the Order is placed (if such Contract was concluded); an Order should also bear an individual number; an Order is accepted in Written Form; failure to refuse acceptance of an

Order within 5 Business Days means that it is accepted; The order outgoing from SAP has an electronic signature;

- 13) **Quotation Request** – an invitation made by Huta to submit Offers or any other type of statement used by Huta to obtain information about the possibility and terms and conditions of concluding a Contract; it should specify the service or Goods and the quantity, mechanical properties or technical parameters, details of the Huta Representative, and should also include the GTC as an annex; Quotation Requests are not offers within the meaning of article 66 of the Civil Code;
- 14) **Party** – Huta or a Business Partner;
- 15) **Representative** – a person nominated by the Party to be a representative responsible for performance of a Contract and for contacts with the other Party; when nominating a Representative the Parties will give in Written Form his/her name, function/position, email, fax and address for correspondence; any change in the Representative must be made in Written Form and in the manner specified in §25 of the GTC;
- 16) **STC** – special terms and conditions of the contracts referred to in § 1 section 2 of the GTC;
- 17) **Subcontractor** – any entity whose services or supplies are used by a Business Partner to perform a Contract;
- 18) **Written Form** – means written form within the meaning of article 78 of the Civil Code; submitting statements by electronic information carriers, fax or email is deemed equivalent to Written Form.

§3

[Scope of application of GTC]

1. These GTC constitute an integral part of all Contracts, Quotation Requests and Offer.

§4

[Conflict between Contract and GTC]

1. In the event of any contradiction between the provisions of a Contract and the content of the GTC, the Contract takes priority.
2. In the event that certain clauses in the GTC are contractually excluded, the other clauses continue to be valid and legally binding for the Parties.

§5

[Exclusion of models; defensive clause]

1. The Agreement is concluded only on the terms specified in these GTC. The provisions of the GTC exclude the possibility of a Business Partner using other models of contracts, rules and general terms and conditions of contracts. Rules and conditions other than the GTC will not be binding on Huta unless expressly accepted by Huta in the Written Form.
2. Acceptance of Goods or services by Huta without a clear reservation or payment by Huta for Goods or services purchased does not mean acceptance of model contracts, rules, general terms and conditions or any other documents of a similar purpose used by a Business Partner.
3. If, when submitting an Offer, a Business Partner attaches to it its own model contract or rules, Huta's response will be tantamount to excluding application thereof and will state that the GTC apply. Such response will be deemed submission of a new Offer by Huta. This Offer will include a reservation that it can only be accepted without reservations as to the content of the GTC.

§6

[Amendments and supplements to GTC]

1. Any amendments or supplements to the GTC should be made in Written Form.
2. Huta will provide the Business Partner with amended GTC provisions pursuant to 5 of the GTC. The amendments will become binding if a Business Partner does not give notice of termination of a Contract within 7 days from the notice delivery date.

§7

[Severability]

If one or more of the provisions of the GTC or a Contract turn out to be invalid or unenforceable, the remaining part of a Contract, Offer or Quotation Request will continue to be fully binding. The Parties will immediately take steps to replace invalid conditions or provisions of a Contract with conditions that comply with the law and are enforceable. These conditions should be as similar as possible to the conditions previously agreed.

§8

[Offers. Providing GTC to a Business Partner]

1. The provisions of the GTC and adequate STC or at least information about the existence of the GTC and STC and the place of their publication (link to Huta's website), constitute an attachment to Quotation Requests and Orders.
2. The provisions of the GTC apply to Offers submitted in response to Quotation Requests, Offers submitted to Huta on a Business Partner's initiative, and also to Offers submitted by Huta to a Business Partner. When concluding the first Contract with Huta the Business Partner signs a statement to the effect that the GTC apply to a given Contract and to all Contracts concluded with Huta in the future.
3. Offers drawn up by a Business Partner in response to Quotation Requests should be complete and should contain all the information required to assess whether the Goods offered by the Business Partner meet the requirements indicated in the Quotation Request.
4. If, in the Quotation Request, Huta describes in detail the requirements that the Goods should meet, then the Business Partner is obliged to

indicate any divergences between the requirements specified in the Quotation Request and the content of the Offer submitted by the Business Partner and the reason for the divergence from said requirements.

5. If a Business Partner submits an Offer in response to a Quotation Request, including the GTC as an annex on each occasion or including a clear reference to the GTC as an integral part of the Quotation Request and a Contract, these GTC are deemed accepted. A reservation with this wording will be included in the Quotation Request.
6. In the event of Offers being submitted on a Business Partner's initiative, Huta will attach the GTC to the Offer acceptance statement. Thus acceptance of the Business Partner's Offer will constitute submission by Huta of a new Offer and will need to be accepted by the Business Partner. Such Offer will contain a reservation that it can only be accepted without reservations being made regarding the content of the GTC.
7. Offers should be sent to the address in the Quotation Request quoting the Quotation Request number. Offers should be valid for at least 45 days.
8. If a given Offer is not selected, this will not require any justification on Huta's part and will not entitle the Business Partner to bring any claims in this respect.

§9

[Electronic Offers]

The Parties hereby agree that the validity of an Offer submitted in electronic form does not require confirmation of receipt of the Offer by Huta or fulfilment of any of the requirements set out in article 66¹§2 and §3 of the Civil Code.

§10

[Reservation]

Huta's response to an Offer submitted by a Business Partner made subject to amendments or supplements that do not change the substance of the Offer is deemed acceptance of the Offer unless:

- 1) the Business Partner stated in the Offer that it can only be accepted by Huta without reservations; in this case Huta's response to the Business Partner's Offer will be deemed a new Offer in which Huta will include a reservation that it can only be accepted without reservations;
- 2) the Business Partner immediately objects to Huta's reservations being incorporated in the Contract; in this case the contract between Huta and the Business Partner will not be deemed as executed;
- 3) when responding to the Offer Huta expressly makes its acceptance contingent on the Business Partner consenting to incorporate the reservations proposed by Huta in the Contract and does not receive this consent immediately on delivery of the response.

§11

[Contract conclusion]

1. A Contract is concluded in Written Form, while an exchange of documents each of which is signed by one of the Parties (i.e. by a person authorized to represent that Party), in particular by sending the signed Order by Huta to the Business Partner and sending Huta by the Business Partner signed Order.
2. Application of Art. 68² of the Civil Code is excluded, that is, in no case the lack of an immediate response of the Party to its Offer will not be considered as the effective conclusion of the Agreement.

§12

[Time of Contract conclusion]

Unless otherwise stipulated in the Contract, a Contract is concluded when a statement on accepting an Offer is submitted in the Written Form in accordance with §25 of the GTC to the other Party or when the Business Partner sends the signed Order to Huta or the Business Partner submits a declaration of acceptance of the Order, depending on which of these three events occurs later.

§13

[Contract Term]

1. Each Contract indicates whether it was concluded for a fixed term or a non-fixed term. In the case of Contracts concluded by accepting an Order placed or an Offer filed by Huta with a Business Partner or by a Business Partner's proceeding to perform an Order placed or an Offer filed by Huta with a Business Partner, a contract term will be stipulated in the Order or the Offer.
2. In the case of Contracts concluded for a non-fixed term, each Party may terminate the Contract with a 30 day notice period, unless the Parties have agreed in the Contract on a different notice period.
3. Contracts concluded for a fixed term expire after the term for which they were concluded passes, unless the Parties prolong the contract term in the Written Form.

§14

[Integrity clause]

A Contract comprises solely of arrangements made in Written Form. An assessment of the substance and scope of the obligations under a Contract is made on the basis of arrangements between the Parties made in Written Form.

§15

[Due care]

The Business Partners represents that it is an entity that professionally engages in performing the activities covered by a Contract and undertakes when

performing them to use all due professional care and to comply with provisions of law, principles of technical expertise and good customs.

§16

[Invoices]

1. Invoices are issued based on delivery of Goods or services in accordance with a Contract by a Business Partner. If the Agreement provides for advance payments, the Business Partner is obliged to issue an invoice for such payments, in accordance with the law and these GTC.
2. A Business Partner undertakes to issue invoices in accordance with applicable law. The invoice must contain in particular a tax identification number (NIP) or other number of the Business Partner corresponding to a tax identification number and also the number of the Contract or the number and date of an Order and a full description of the Goods or service and the price specified in the Contract with a separate indication of the amount of VAT. If Goods are customs duty or tax exempt or if customs duty or tax is not payable for any other reason, this should be indicated on the invoice together with the legal basis.
3. The Business Partner is obliged to include in the invoice prices in amounts and currencies compliant with the Agreement. The discrepancy will constitute grounds for refusal to accept the invoice by Huta. Regardless of the currency in which the invoice is issued, the Contractor is obliged to provide the VAT amount in Polish zlotys.
4. If the Goods or services are exempt from customs or taxation or the duty or tax is not charged for another reason, this fact should be indicated on the invoice along with the legal basis.
5. The invoice may cover several consecutive deliveries made in a given month (in particular in the case referred to in § 17 of the GTC). In this case, the Business Partner is obliged to include individual deliveries as separate items on the invoice, indicating the date of their execution and the subject (including the PKWiU code).
6. A Business Partner sends an invoice to the address given in the Contract or Order, while in the event of any divergence the address given in the Order will be used.
7. A Business Partner encloses an acceptance document signed by Huta (or the recipient, in the event that Huta orders the delivery of the Goods to a third party), including a CMR consignment, to an invoice.

§17

[Self-billing]

1. If a Contract states that invoices will be issued by Huta as the acquirer of Goods from a VAT payer, the Parties are obliged to conclude a separate contract on self-billing, authorising Huta to issue invoices, adjustment invoices and duplicates for and on behalf of the Business Partner during the Contract term in connection with a Goods purchase under the Contract. The content of this Contract will meet all the requirements provided for in tax law.
2. The Business Partner undertakes to accept invoices issued by Huta by signing them in accordance with applicable law.

§18

[Transaction specification]

1. If a Contract is not limited to a one-off performance, the Business Partner and, in the event of self-billing, Huta may draw up twice a calendar month a specification of Goods or service purchase transactions, performance of which started respectively by the 15th (fifteenth) and by the last day of a given month inclusive. If drawn up, these specifications will be sent to the other Party in electronic form within 5 Business Days of the end of a given period.
2. Supplemented and corrected specifications should be sent back within 5 Business Days at the latest. Failure to respond within 5 Business Days to a specification sent is deemed acceptance of a specification.
3. An accepted specification of Goods or service purchase transactions will be the basis for issuing VAT invoices in accordance with §16. If the Parties accept the statement only partially, an invoice may be issued covering the approved part of the statement.

§19

[Indemnity]

Huta is not responsible for any of a Business Partner's tax arrears. In particular, failure to comply with invoice issue deadlines, regardless of the reasons for the failure, does not release the Business Partner from the obligation to pay VAT on time.

§20

[Keeping invoices]

The Parties are obliged to keep and archive invoices for at least 5 years from the end of the calendar year in which the tax payment date passed.

§21

[Price]

1. The price for Goods or service results from a Contract. Unless the Contract states otherwise, the price is a constant value and covers all costs and taxes and is not subject to change.
2. Any discounts and reductions for Huta must be stipulated in the Contract.
3. Huta will not be obliged to pay a Business Partner any additional charges or to reimburse it for any costs, unless the Parties agree otherwise in Written Form.

§22

[Payment terms and conditions]

1. Payment terms are specified in the Contract. The Contract may also include a schedule of partial or advance payments.
2. When accepting the Goods or services in advance, the payment deadline is in accordance with the agreed date of delivery of the Goods or services.
3. Subject to other more detailed provisions of the GTC, if there are any material errors in performance by a Business Partner of a Contract, Huta is entitled to withhold the payment due to the Business Partner until the Contract is duly performed, which does not exclude Huta's further rights under generally applicable provisions of law.

If the Contract subject covers construction works performed by a Business Partner in favour of Huta, the price for these works will be paid on receipt by Huta of a statement in Written Form from the Business Partner's Subcontractors to the effect that the Business Partner is not in default with any payments for work performed by the Subcontractors in connection with a Contract. This statement should be attached to the invoice issued by the Business Partner. In the event of self-billing, payment is made within the time limit specified in the Contract, provided that the Business Partner delivers the Subcontractors' statements to Huta no later than 10 Business Days before that date.

§23

[Payment method]

1. The agreed price for Goods or services is paid into the bank account nominated by the Business Partner. The day Huta's bank account is debited is deemed the payment date.
2. The Business Partner is obliged to give notice of any change in its bank or bank account number immediately, no later than within 3 Business from the change.
3. Payment made by Huta to the Business Partner's previous bank account in light of a failure by the Business Partner to send Huta information on the change of account is deemed fulfilment by Huta of the performance. The Business Partner will not be entitled to bring any claims against Huta in this respect.

§24

[Place of performance]

Unless the Contract states otherwise, the place of performance, especially the place of supply of the Goods covered by the Contract, is the place where, at the time the performance is made, Huta's registered office is located.

§25

[Notices]

1. Any correspondence between the Parties related to Contract conclusion or performance will be conducted in writing via fax or email to the numbers or addresses of the Representatives.
2. Any correspondence sent to a Party will be deemed delivered on the same day if it is sent between 9.00 and 17.00 (Central European Time) on a Business Day in the place of receipt, and if sent at any other time, at 9.00 on the following Business Date in the place of receipt.
3. To avoid any doubt, the Parties confirm that statements are deemed submitted (delivered) when they are received by the other Party's Representative in such a way as to enable him to read their contents. In the event of statements being submitted in electronic form, they are deemed to be submitted when they are entered in the means of electronic communication in such a way as to enable the other Party to read them on condition that the sender does not immediately receive return information from the servers of the participants in the notice sending process that the notice cannot be delivered.

§26

[Amendments to and termination of a Contract]

A Contract can be amended, rescinded or terminated by notice or otherwise only in the Written Form.

§27

[Subcontractors]

1. Unless otherwise agreed in Written Form, a Business Partner is not entitled to use Subcontractors during Contract performance without Huta's prior permission given in Written Form. A contractor will not start to carry out a performance with the participation of Subcontractors without obtaining this permission. In the case of using services of a Subcontractor without obtaining Huta's consent or against Huta's objections, Huta will be entitled to refuse acceptance of Goods supplied by this Subcontractor or acceptance of its services and also to refuse entry of this Subcontractor to Huta's premises in order to perform such services to . [DZP's comment: a draft provision to be considered by Celsa]
2. If a Business Partner intends to use a Subcontractor, it will present for Huta's acceptance the Subcontractor and a draft of the agreement which would be concluded with the Subcontractor specifying in detail the scope of the work ordered, the amount of the fee to be paid and the payment term.

3. If an agreement is concluded with a Subcontractor, the Business Partner is liable for the Subcontractors' actions and omissions (as for its own actions and omissions) together with the Subcontractor itself. This liability is joint and several within the meaning of article 366 of the Civil Code. The provision of this paragraph will also apply in the case of concluding a Contract with a Subcontractor without Huta's consent or against Huta's objection.

4. A Subcontractor is obliged to give written confirmation that it has agreed to perform the actions entrusted to it. The confirmation should specify the actions entrusted and their performance date, and should also confirm assumption of the obligation not to disclose Confidential Information within the meaning of §36 of the GTC.

5. The Business Partner bears full liability for settlements with Subcontractors and covers, together with any interest and costs payable, any amounts due and amounts claimed by Subcontractors that are finally and non-revisably awarded against Huta.

§28

[Contractual penalties]

1. Unless the Contract states otherwise, in the event of a delay in the supply of Goods or performance of services under a Contract, the Business Partner will pay Huta a contractual penalty of 0,5% of the price for the Goods or services for each day of delay.
2. Unless the Contract states otherwise, if Confidential Information is disclosed in contravention of §36 of the GTC, the Business Partner will be obliged to pay a contractual penalty of 15% of the price of the Goods or service.
3. Huta is entitled to claim compensation of an amount exceeding the amount of the contractual penalties.

§29

[Deduction]

If there are any grounds for Huta to demand payment of contractual penalties, Huta is entitled to deduct the contractual penalties due to it from payments due to the Business Partner for Goods or a service, both those due and payable and those not due and payable. The Business Partner hereby authorises Huta to make such deductions.

§30

[Assignment]

1. The Business Partner will not be able to assign to third parties the rights and obligations under a Contract concluded with Huta without Huta's prior permission given in Written Form.
2. Huta may dispose of the rights and obligations under a Contract without the Business Partner's permission. Huta will notify the Business Partner within 7 Business Days.

§31

[Social responsibility]

1. The Business Partner warrants that it supports and enacts, within all its spheres of activities, a set of core values in the areas of human rights, labour standards, environmental protection and anti-corruption, including the following:
 - 1) compliance with internationally proclaimed human rights;
 - 2) elimination of all forms of forced and compulsory labour;
 - 3) the effective elimination of discrimination in employment;
 - 4) preventive approach to environmental issues;
 - 5) development and popularisation of environmentally friendly technologies;
 - 6) counteracting corruption in all its forms, including extortion and bribery.
2. The Business Partner warrants compliance with the abovementioned rules in accordance with applicable laws.

§32

[Health and safety]

The Business Partner will abide by and oblige his Subcontractors to abide by applicable laws in respect of health and safety issues and all applicable safety regulations, policies and procedures in performance of a Contract.

§33

[Labour law]

The Business Partner will comply with all applicable labour laws relating to its staff, in particular, will properly pay the staff remuneration and perform all other obligations imposed on the Business Partner towards employees, associates and other persons, regardless of the type of legal relationship between the Business Partner and such persons. A Business Partner will require all such staff to abide by all safety regulations during performance of a Contract.

§34

[Environmental protection]

The Business Partner will in the performance of the Contract and whenever the Contract is performed, take at its own cost all the necessary steps to:

- 1) protect the environment;
- 2) comply with applicable environmental protection laws, including with respect to waste management and handling Hazardous Materials in accordance with these laws.

§35

[Intellectual property]

Huta holds all the rights, including intellectual property rights, on all exploitation fields to all sketches, calculations and other documents and also models and

patterns made available to a Business Partner in connection with conclusion and performance of a Contract. The subject-matter of these rights cannot be made available to third parties without Huta's prior permission given in Written Form. The Business Partner may use them solely for the purpose of performing the Contract concluded with Huta, and after performance thereof they should be immediately, though no later than within 5 Business Days of performance or termination of a Contract, returned without an additional request being made by Huta.

§36

[Confidential Information]

Each Party undertakes to keep confidential any and all material information of a technical, economic or business nature obtained during negotiations between the Parties and during Contract performance, unless the obligation to disclose certain information to specified persons or institutions arises from mandatory provisions of law. The Parties are also obliged to keep secret the fact that a Contract has been concluded. The confidentiality obligation also applies after Contract performance if the information contained therein has not become publicly available.

§37

[Representation of the Parties]

1. It is accepted that declarations of intent will be made both on Huta's behalf and on the Business Partner's behalf by entities disclosed in the Polish Court Register (PCR), the Records of Business Activity or other relevant register as persons authorised to represent Huta and the Business Partner respectively or by entities authorised under a power of attorney.
2. The Business Partner undertakes to attach the powers of attorney, excerpts from the KRS, the Central Record and Information on Business Activities or other relevant register as schedules to the Contract.

§38

[Business Partner's financial standing]

1. On Huta's request a Business Partner is obliged immediately to provide information about its financial standing.
2. Huta undertakes to keep information provided by a Business Partner confidential and not to use it for purposes other than checking the Business Partner's financial standing in the context of the possibility of duly performing a Contract

§39

[Third party insurance]

Subject to other more detailed provisions of the GTC, a Business Partner is obliged to have valid third party insurance with a renowned insurance company covering damage that it could inflict on Huta in respect of failure to perform or failure to duly perform the obligations under a Contract and insurance for property entrusted to a Business Partner by Huta under a Contract.

§40

[Governing law]

1. Conclusion, interpretation of Contracts and the GTC, indication of the rights and obligations of the Parties under the Contract and assessment of correctness of its performance are governed solely by the provisions of Polish law.
2. The United Nations Convention of 11 April 1980 on contracts for the international sale of goods does not apply.

§41

[Amicable dispute resolution]

In the event of a dispute arising between the Parties in respect of a Contract, the Parties will first take reasonable steps to settle it amicably between themselves.

§42

[Court jurisdiction]

Any disputes arising during the term of or in connection with a Contract, including conclusion thereof, that is not settled amicably within 60 calendar days of initiation of the procedure will be submitted to a common court with jurisdiction over Huta's registered office. Notwithstanding the foregoing, Huta is entitled to bring a Business Partner before a court with jurisdiction over the Business Partner's registered office/place of residence.