



General Terms of Sales

1. General Provisions

- 1.1. These General Terms of Sale (hereinafter referred to as "GTS") shall apply to all products, accessories or services ("Goods") that are sold by Norex International AB (hereinafter referred to as "Seller") to the Buyer (hereinafter referred to as "Buyer").
- 1.2. The Seller's Goods shall be provided exclusively on the basis of these GTS together with Seller's specific conditions contained in its attached order confirmation or sales contract ("Order Confirmation").
- 1.3. GTS and Order Confirmation constitute the entire agreement between Buyer and Seller, and supersede in their entirety any other conflicting terms and conditions proposed by the Buyer and any oral or written communications that are not expressly incorporated herein.
- 1.4. Seller's offers are non-binding without Order Confirmation.
- 1.5. Any orders placed by the Buyer shall be deemed to be accepted only by way of an express declaration to this effect by the Seller. Failure by the Seller to respond to any inquiry or purchase order sent by the Buyer shall not constitute acceptance of the same.
- 1.6. Acceptance of a product request placed through the Seller's website or reservation of Goods does not constitute confirmation of an order by Seller.
- 1.7. Buyer's signature and return of Order Confirmation shall constitute Buyer's acceptance of the contractual terms defined therein. Buyer's failure to reject Order Confirmation within three days from receipt of the same shall constitute Buyer's acceptance of the contractual terms defined therein.

- 1.8. In case of conflict between the provisions in the Order Confirmation and the wording of the present GTS, the provisions in the Order Confirmation shall prevail.
- 1.9. Seller's failure to exercise any right shall not be deemed to be a waiver of such right.

2. Terms of Use, Seller's Website.

- 2.1. All content on the Seller's website is the property of Norex International AB and it is protected by Swedish and international law. The website may not be exploited for any commercial use that is not expressly allowed by the Seller in writing.
- 2.2. Seller will always endeavor to promptly process and evaluate inquiries from customers.
- 2.3. As per §1.6, a product request sent through the Seller's website or by any other means shall not to be considered an order unless an express declaration to this effect has been communicated by Seller's authorized representative to the Buyer.
- 2.4. A product request sent through the Seller's website or by any other means shall be deemed to be accepted only by way of an express declaration to this effect by Seller's authorized representative. Such confirmation may be to the effect that:
 - 2.4.1. The Goods have been reserved for the Buyer for further negotiation.
 - 2.4.2. The Buyer's proposal has been accepted and an Order Confirmation will follow.

In absence of such notifications the Buyer shall understand that the request has not been reserved or accepted as an order.

- 2.5. The Seller reserves the right to accept or decline any request.
- 2.6. Goods may be kept reserved up to seven calendar days. After this period of time the Goods shall be removed from Buyer's reservation unless they become the subject of an Order Confirmation.
- 2.7. The Seller reserves the right to remove Goods from Buyer's reservations at any time.
- 2.8. In accordance with §1.6, a reservation of shall not to be considered an order unless an express declaration to this effect has been communicated by Seller's authorized representative to the Buyer.
- 2.9. Goods that have not been confirmed as reserved or placed in an order are available for the public on the Seller's website.
- 2.10. The Seller reserves the right to, with immediate binding effect, modify the contents of its website at any time, including (but not solely) prices, freight rates, product information and description of defects, categories and qualities.

3. Prices and Terms of Payment

- 3.1. The Seller's stock list including prices can be viewed on its website and printed out at any time. These prices apply to the Goods detailed in such lists to the extent that nothing to the contrary is agreed with the Buyer.
- 3.2. All prices are calculated on the basis of Goods measured and weighed at the point of departure.
- 3.3. Except as may be otherwise expressly provided in Order Confirmation, prices are for the value of the Goods only, calculated on the basis of price per metric ton and net weight. The Buyer shall pay all taxes, insurance, shipping, storage, handling and

any other charges. If initially paid by the Seller, such charges shall be included in Seller's invoice to Buyer..

- 3.4. Any undertaking by the Seller to fulfill specific requests or requirements of the Buyer for which no price is determined in the Seller's price lists shall be subject to an agreement with regards to its price or, in the absence of such agreement, be charged at Seller's reasonable discretion.
- 3.5. The following are acceptable terms of payment:
 - 3.5.1. 100% of Order Confirmation value as prepayment before delivery.
 - 3.5.2. 100% of Order Confirmation value by confirmed, irrevocable Letter of Credit at sight, or at 90/120/180/360 days after Transport Document date. Interest for utilization period is LIBOR plus a standard mark-up, and shall be payable by Buyer in addition to LC amount.
 - 3.5.3. 25% - 30% of Order Confirmation value as prepayment before delivery; and 70%-75% of Order Confirmation value by Documents against Payment through bank or directly to the Seller.
 - 3.5.4. 100% of Order Confirmation value payable directly to Seller's bank account, due for payment no later than 30 calendar days after invoice date. Payment to be guaranteed by Seller's credit insurance company or by an on-demand bank guarantee on Seller's favor.
- 3.6. In the absence of an agreement regarding terms of payment as set out above, 3.5.1 shall apply.
- 3.7. Invoice date shall be set by the Seller on the same date that the delivery of the Goods takes place, as per §4.1.
- 3.8. Payment shall be made without any discount and in such manner that the Seller shall have the full Invoice or Proforma Invoice amount at its disposal by

the due date for payment indicated on the Invoice or Proforma Invoice. If the due date for payment is exceeded, interest shall be charged at the rate of 17%.

- 3.9. In the event that the Buyer is late with any payment the Seller is, without prejudice to any other right the Seller might have, entitled to cancel pending Order without any liability.
- 3.10. In the event that the payment is guaranteed by Seller's credit insurance company, the following rules apply:
- 3.10.1. The Seller applies for a credit limit with its credit insurance company upon Buyer's request of open credit. The Buyer is then obliged to provide all relevant financial information requested by the Seller's credit insurance company.
- 3.10.2. Based on the financial information provided by the Buyer, the credit insurance company shall decide whether to grant a credit limit to Buyer fully or partially; or to decline it.
- 3.10.3. If the credit insurance company grants a credit limit for the Buyer, the Seller will inform the amount granted.
- 3.10.4. All active orders are included in the credit limit. Active orders include:
- 3.10.4.1. Orders that have been confirmed but not loaded.
- 3.10.4.2. Orders that have been loaded but not invoiced.
- 3.10.4.3. Orders that have been loaded and invoiced but not yet paid.
- 3.10.5. No new orders shall be confirmed once the credit limit has been reached. The Buyer may release credit limit by paying previous invoices.
- 3.10.6. An unpaid and overdue invoice shall freeze the Buyer's account with the Seller until the Seller has the full invoice at its disposal. The following

will apply regardless credit limit availability:

- 3.10.6.1. No new reservations shall be accepted.
- 3.10.6.2. No new orders shall be confirmed.
- 3.10.6.3. Existing orders shall not be loaded and may be cancelled at Seller's choice.
- 3.10.7. The Seller shall report all unpaid and overdue invoices to its credit insurance company if the invoice is still outstanding forty (40) days after due date.
- 3.11. If the Buyer and Seller agree on the payment terms described on §3.5.3; the Buyer shall pay the amount of the invoice sent through bank latest ten (10) days after first presentation of the order documents in Buyer's bank. After this period, if the invoice amount remains unpaid, the Seller shall recall the documents. In this event the Buyer forfeits its claim to the prepayment amount received.
- 3.12. The Seller reserves the right to modify or change entirely the terms of payment with the Buyer for new orders. The Buyer shall be notified in every case.
- 3.13. All bank fees, except the Seller's bank fees, shall be borne by the Buyer.

4. Terms of Delivery, Transfer of Risk and VAT exemption

- 4.1. Except as may be otherwise specified in writing, the delivery of the Goods shall take place in accordance with the applicable INCOTERM – latest version of the same, issued by the ICC.
- 4.2. Except as may be otherwise specified in writing, the transfer of risk shall take place at Seller's works before loading and in case of the use of INCOTERMS, risk shall pass in accordance with the applicable term – latest version of the INCOTERMS issued by the ICC. Should the Buyer fail to take

delivery of the Goods, the Seller may store them at Buyer's risk and expense and following a notification of their availability, invoice them as having been delivered.

- 4.3. When the Goods are sold delivered to their destination, the Seller shall determine the route and means of transportation, as well as the selection of forwarding agents and carriers. The Buyer shall be responsible to supply to the Seller, sufficiently in advance in order to permit the Seller to make the necessary shipping arrangements, all appropriate information including:
 - 4.3.1. Shipping instructions.
 - 4.3.2. Import certificates, documents required to obtain necessary government licenses and any other documents prior to their shipment.
 - 4.3.3. Buyer's confirmation that it has caused the opening or establishment of letter of credit if required.

If any such instructions, documents or confirmations are not so received or would (in Seller's sole judgment) require unreasonable expense or delay on its part, then the Seller may, at its discretion and without prejudice as to any other remedies, delay the delivery.
- 4.4. Delivery shall be deemed fulfilled in accordance to the applicable INCOTERM – latest version issued by the ICC.
- 4.5. The following shipment provisions shall apply when the Buyer collects Goods sold with INCOTERMS EXW, FCA and FOB; or where the Buyer undertakes the delivery at its own expense and risk:
 - 4.5.1. When the Buyer sends a vehicle or shipment unit to the Seller's work for collection of Good, the Seller shall be notified of this event at least two working days before arrival. The Buyer shall announce this event by email to logistics@norex.se or by fax to +46 31 927575. The Seller does not guarantee that it will load

unannounced vehicles or shipment units.

- 4.5.2. The Seller will only load the Goods when the conditions described in §3.8, §3.10 and §3.11 are met.
 - 4.5.3. Vehicles or shipment units shall be at Seller's works latest at 15:00 on the day of loading. Vehicles or shipment units arriving at a later hour may be loaded the following working day.
 - 4.5.4. Vehicles loading coils in Seller's stock in Antwerp shall be equipped with coil wagons.
 - 4.5.5. Vehicles equipped with coil wagons are preferred in all other locations. Flat vehicles are also acceptable, provided that the driver has wooden coil cradles/skids and all other requirements to secure the load.
 - 4.5.6. In absence of proper means of securing the Goods, the Seller offers the possibility of securing coils with its own cradles/skids. This service will be charged at Seller's reasonable discretion.
 - 4.5.7. The Seller shall, without liability, be entitled to refuse loading vehicles which appear inappropriate for the safe transport of goods or which do not have the proper means for securing the Goods.
- 4.6. In the absence of an agreement regarding which terms for shipment that shall apply, Goods shall be delivered CPT [City]. If goods are delivered CPT (according to the Order Confirmation or the preceding sentence), all costs and charges connected to the shipment shall be borne by the Buyer according to Section 3.3 above. Furthermore, the Buyer shall, between the Parties, assume all risk for loss of, or damage or injury to, the Goods from the time they are tendered for delivery by the first shipping carrier, or if shipment is deferred by an act or omission of the Buyer, from the time the Goods are ready for shipment, and Buyer shall be liable for the full purchase price whether or not the

Goods are lost, stolen, damaged or destroyed.

- 4.7. In the event that the supply of goods is
- 4.7.1. Entitled to VAT exemption due to intra-community sales or the destination of the goods delivered and
- 4.7.2. The Buyer takes the delivery at its own risk (INCOTERMS EXW, FCA, FOB, etc),
- The Seller shall only be bound to apply for a VAT exemption if the Buyer provides it with substantial proof (in the form of a Transport Document) of carriage of the Goods to the country of destination.
- 4.8. The Buyer shall make available to the seller within 5 working days from receipt of the Seller's request, proof that the Goods have been delivered to the country of destination that qualifies for VAT exemption.
- 4.9. In case that the Buyer fails to provide the Seller with proof that the Goods have been delivered to the country of destination that qualifies for VAT exemption; the Seller shall invoice VAT charges, in accordance with existing European Union and Swedish regulations.
- 4.10. The Buyer is obliged to inform the Seller within three (3) working days any change in VAT identification number for intra-community transactions or change in the Buyer's company name or address.

5. Force Majeure

- 5.1. The Seller shall not be liable for any failure to perform in accordance with an order, including and without limitation, failure to deliver the Goods or delays, caused for any reason, in whole or in part, beyond the Seller's reasonable control, including but not limited to, delivery schedule of the Seller's suppliers, unavailability of materials, labour disturbances, fire, floods,

weather, terrorism, war, confiscation or transportation difficulties.

- 5.2. The occurrence of such event of force majeure shall be notified to the Buyer as soon as reasonably possible.

6. Retention of Title

- 6.1. The Goods shall remain Seller's property until the Buyer fulfills all payment obligations according to §3.8. As such:
- 6.1.1. If the Buyer processes, combines or mixes the Goods subject to retention of title with any other goods, the Seller shall be entitled to joint ownership of the new product in proportion to the ratio of the invoice value of the Goods subject to retention of title to that of the other goods used.
- 6.1.2. If the Buyer resells the Goods subject to retention of title in the normal course of business, any claims arising from such sale are hereby assigned to the Seller.
- 6.1.3. If the Buyer resells the Goods subject to retention of title together with other goods, any claims arising from such sale are hereby assigned to the Seller in proportion to the ratio of the invoiced value of the Goods subject to retention of title to the other goods.

7. Warranty Disclaimers etc.

- 7.1. The Seller make no warranties, expressed or implied, of any kind, with respect to the Goods, including without limitation, any warranties as to accuracy, functionality, performance or merchantability. Furthermore, the Seller shall have no liability for the quality or condition of the Goods under any statute including without limitation the Swedish Sale of Goods Act (Sw. *Köplagen (1990:931)* or the International Sale of Goods Act (Sw. *Lag (1987:822) om internationella köp*).
- 7.2. The Seller may indicate, to the best of its knowledge, the quality of the products

available for sale. However, the Goods are not prime and the Buyer accordingly understands that they may have been declassified due to chemical deviations, mechanical deficiencies, and other discrepancies between the standard steel grade and the final product. Seller does not warrant that the Goods comply with all standards for the quality that has been assigned to them. The Seller is not liable in relation to discrepancies between the chemical and mechanical properties of a quality and those of a particular product.

- 7.3. Upon Buyer's request, the Seller may offer information about the chemical and mechanical properties of a particular quality. This information is to be understood as being relevant, accurate and typical only for prime steel in the said quality. It is thus provided only as a reference for the Buyer and is not specific to any product offered by the Seller. Any technical advice provided by the Seller, before and/or during the use of the Goods, whether provided verbally or in writing or by ways of trials is given in good faith but without any warranty on the part of the Seller. Seller's advice shall not release the Buyer from inspecting the Goods supplied by the Seller as to their suitability for the intended processes and uses.
- 7.4. The Seller may indicate, to the best of its knowledge, all available information about the Goods. The Seller shall not accept any claims related to properties, values or any other information related to the Goods unless it is subject to an explicit warranty in the Order Confirmation.
- 7.5. The Seller may indicate, to the best of its knowledge, the defects present in the Goods. If the Goods have any known defects, Seller will indicate the main reason for declassification in the column "remarks". For reasons of space only the main defect will be shown. The Buyer shall be aware that that one item can have more than one defect.
- 7.6. Upon delivery the Buyer shall perform an inspection to check that the Goods comply with the description given by the Seller in its Order Confirmation. The Goods shall be considered accepted by the Buyer without reservations if:
 - 7.6.1. The Buyer fails to make any comments in writing in respect thereof not later than 2 months after delivery for deliveries by sea; and 1 month after delivery for deliveries by lorry. Comments shall be provided to the Seller using a Norex Claim Form.
 - 7.6.2. The Goods undergo any processing after delivery.
- 7.7. The Seller shall study Buyer's claim if:
 - 7.7.1. The Seller can fully identify the Goods subject to a claim as having been sold by the Seller
 - 7.7.2. The Buyer has reported a major and/or relevant discrepancy between the Goods and the description specified in the Order Confirmation in writing as per §7.6.1
 - 7.7.3. The Goods have not been fully or partially processed after delivery.
- 7.8. The Seller shall not be liable if:
 - 7.8.1. Conditions in §7.6 fail to be met.
 - 7.8.2. The Buyer cannot provide sufficient evidence that the Goods subject to the claim present major and/or relevant discrepancies from the description provided in the Order Confirmation.
 - 7.8.3. The Goods subject to the claim present deterioration resulting from improper treatment, handling or storage after the risk has passed over to the Buyer.
 - 7.8.4. The claim addresses a weight shortage lesser than 2% of the net weight of the entire Order Confirmation.

- 7.9. The Seller shall accept claims for the value of the Goods only. Other expenses such as transportation, handling, processing etc are excluded. Liquidated damages of any kind will never be payable by the Seller.
- 7.10. In the event of a claim, the Buyer shall give the Seller the opportunity to inspect the Goods without delay.
- 7.11. If the Seller and the Buyer agree on a settlement for a claim:
- 7.11.1. The Seller shall replace, take back or reimburse the claimed Goods, in part or in full.
- 7.11.2. In case that the Goods are to be replaced or taken back by the Seller, the Buyer shall allow the collection of the claimed Goods, in part or in full, by the Seller without delay.
- 7.11.3. In case the Seller shall reimburse the Buyer the Seller shall issue a credit note for the credit amount and send it to the Buyer within a week after the date of the settlement. The Buyer shall inform Seller in which way or form he wishes to collect the credit amount.
- 7.12. The existence of a claim shall not release the Buyer from its obligation to comply with the payment of an invoice in accordance with §3.8.
- 7.13. If the Order Confirmation is terminated by the Seller due to the Buyer's failure to comply with the terms therein described or these GTS, the Buyer forfeits any right to be compensated in any way by Seller.
- 8. Limitation of Liability**
- 8.1. The Seller shall be liable only in case of willful acts or gross negligence on Seller's behalf or in case of culpable breach of contract obligations.
- 8.2. The Seller's liability based on any legal ground whatsoever shall be limited to the total value of the Order Confirmation.
- 8.3. Section 7.11 is exclusive, and accordingly the Seller shall never be liable to the Buyer for any direct, incidental, indirect, special, punitive, exemplary, tort or consequential damages.
- 9. Indemnification of the Seller**
- The Buyer shall indemnify, defend and hold harmless the Seller and its officers, directors, employees, agents, shareholders, affiliated companies and their respective successors and assigns from and against any and all claims relating to any unauthorized modification, alteration, adaption or use of the Goods, or any claim or suit for damages arising from acts, representations or omissions of the Buyer related to the Buyer's sale of the Goods, or use of the Goods or incorporation of the Goods into a product or part thereof. The Seller shall have the right to control the defence of any such claim, including and without limitation, authority to settle any such claim and seek reimbursement from the Buyer and select a counsel.
- 10. Language, Jurisdiction and Applicable Law**
- 10.1. These GTS are issued in English. In case of conflict between the original text in English and any translations to a different language, the English version shall prevail.
- 10.2. Any dispute, controversy or claim arising out of or in connection with these terms of conditions or the Order Confirmation, or the breach, termination or invalidity of any of them, shall be settled by arbitration in accordance with the Swedish Arbitration Act which is in force at the time when the request for arbitration is made.
- 10.3. The language of the arbitration procedures shall be English.
- 10.4. The arbitration proceedings, any information exchanged and any decision or award rendered in the course thereof shall be confidential.

10.5. The substantive laws of Sweden shall apply exclusively to all contractual relations between the parties. Accordingly, the provisions of the International Sale of Goods Act (*Sw. Lag (1987:822) om internationella köp*) shall not apply.

Last updated 2011-01-20.