

GENERAL PURCHASING CONDITIONS

1. SCOPE OF APPLICATION

1.1 These General Purchasing Conditions ("GPC") apply to the purchase of any materials, items, products, components, software and any related services ("Goods") purchased from a supplier ("Seller") by GO Steel Frýdek Místek a.s. company ("Buyer"). These GPC form an integral part of any order, request, accepted quotation or another offer transmitted by the Buyer to the Seller ("Order"). Only these GPC, the provisions of the Order and any documents incorporated by reference in the Order are binding on the Buyer.

1.2 If any term of these GPC is unenforceable for any reason, the other terms and conditions will not be affected.

1.3 If there is a discrepancy or ambiguity between the conditions in an Order and these GPC, the conditions in the Order will prevail.

2. PRICES - QUOTATION - CONDITIONS OF PAYMENT - INVOICING

2.1 All prices stated in the Order are fixed and not subject to revision. They are inclusive of all taxes (except VAT or equivalent), fees, contributions, insurances and all other costs incurred by the Seller in performing the Order, including Delivery (as defined in these GPC), all packing, protecting, lashing and anchoring of materials and all documents, accessories, devices and/or tools necessary to ensure complete and functional operation and maintenance and are inclusive of all payments for the use of any intellectual property rights, including those of third parties.

2.2 Each invoice shall contain appendages of a normal tax document pursuant to the Law of Value Added Tax, a code corresponding to CZ-CPA production classification. The Seller is responsible for determination of a proper tax regime in accordance with the Law of VAT and, at the same time, responsible for the correct determination and stating of the number of the CZ-CPA production classification code. An attachment of the invoice shall be a photocopy of a completion certificate, a letter of acknowledgement or another document of the Buyer supporting the amount of the price accounted for the Goods.

2.3 Upon each Delivery, the Seller shall issue a commercial invoice to the Buyer. No invoice may relate to more than one Order.

2.4 Amounts due under a Seller's invoice shall be paid by the deadline stated in the Order. The Buyer may set-off costs it incurs from the Seller's default against outstanding invoices or may withhold a payment if the Seller fails to fully perform its obligations under the Order.

2.5 The absence of a rejection of an invoice does not imply that the Buyer accepts the invoice. Payment of an invoice does not mean that the Buyer agrees that the Goods comply with the Order.

2.6 The Seller declares and confirms that it is not an unreliable payer in terms of provisions of section 106a of the Law of VAT and, at the same time, it is neither in a position, nor in a risk that in the period to the due date of monetary payment to the Buyer will be in a position of not being able to perform its tax obligations in term of the Law of VAT towards his tax administrator.

2.6. In the case that

a/ the Seller's bank account, stated on the invoice, is not or will not be a publicized account at the moment of performing a payment, or

b/ at the moment of performing a taxable payment or to the moment of performing a payment the tax administrator makes public, in a way enabling a remote access, a fact that the Seller is an unreliable payer,

the Buyer is entitled to pay the price for the Goods only in an amount without VAT and it is thereby authorized to pay the VAT corresponding to this payment instead of the Seller by way of the so-called special method of securing the tax according to the provisions of section 109a of the Law of VAT.

2.7 A basic document for the payment of the agreed price for the Goods is an invoice, which shall be issued and delivered to the Buyer stated in the particular Order and made out by printing on a computer or on a typewriter and without manual entries and stamps and will be delivered to the Buyer's address GO Steel Frýdek Místek a.s., Míru 3777, Frýdek, 738 01 Frýdek-Místek

- The address for sending invoices by electronic mail (the tax document in an electronic form):

GOSTL.INVOICES-CZ@ARCELORMITTAL.COM

- The address for sending invoices by post:

ArcelorMittal Business Center of Excellence Poland Sp. z o. o. Sp. k., ul. Al. Pilsudskiego 92, 41-308 Dąbrowa Górnicza, Skrytka Poczтовая nr. 61, Republic of Poland,

and the invoice shall include, except obligatory data pursuant to the Civil Code and Act no. 235/2004 Coll., subsequently amended, also the Order number, the subject of the fulfillment, the bank account number and for imports from abroad also the Certificate of origin of goods. In the case of a purchase from a domestic non-VAT payer, the Seller is obliged to state the following text on the invoice: "WE ARE NOT VAT PAYERS". Otherwise the invoice will be considered incomplete and returned to the Seller. For a new or a corrected invoice, which the Seller is obliged to issue, a new payback period applies. The invoice will be paid by a money transfer order and will be payable within a payment term arranged in a Contract for work.

3. SAFETY

The Seller warrants that the Goods do not constitute a hazard to health, safety or the environment, provided that they are handled, used and stored in accordance with normally accepted working practices applicable to the Goods. The Seller shall provide safety data sheets, relevant codes of practice and notes or reports from the Seller's factory inspectors, specifying the required hygiene, safety and environmental standards for handling, processing and storing the Goods, their by-products and waste of any sort. The Seller warrants that it and its contractors, employees and agents will comply with the rules and policies for the safe, orderly and efficient conduct of operations on the Buyer's premises, including any rules governing truck deliveries.

4. DELIVERY - TRANSFER OF TITLE - PACKAGING - TRANSPORTATION

4.1 The Goods shall be delivered in accordance with the delivery condition DDP Incoterms 2010 to the delivery point specified by the Buyer in the Order ("Delivery").

4.2 Transfer of risk and title in each shipment of Goods pass to the Buyer when the Goods are delivered in accordance with article 4.1.

The Seller warrants that at the time of Delivery it will have good title to the Goods and the Goods is free and clear of all liens, claims, servitudes, encumbrances or other restrictions.

4.3 Before the Delivery:

(a) The Seller shall inspect the Goods for compliance with the specifications, requirements for quality, weight and physical dimensions stated in the Order, as well as for any damage to the Goods or their packaging.

(b) The Goods shall be packed so that they will not be damaged during transportation or handling. All items shall be properly marked according to applicable rules, especially in the case of hazardous goods, according to the Buyer's reasonable instructions, by setting out the Buyer's Order number, the Seller's identification data, item numbers, place of Delivery, item description, weight and quantity; and with all markings required for purposes of proper Delivery and assembly.

(c) Sling and handling accessories shall be provided with the Goods.

4.4 Transportation:

(a) The Seller shall deliver the Goods by all appropriate means and using all appropriate equipment and accessories with the assistance of competent and solvent agents or subcontractors, where necessary.

(b) If the Order is not performed within the time stated in the Order, or other document incorporated by reference into the Order, the Buyer may, after notifying the Seller of the delay, either terminate the Order within 28 days from the agreed delivery date and claim damages from the Seller, or accept the Delivery. The Buyer may refuse partial or early Deliveries, and in such cases may return the Goods or store them at the Seller's expense and risk.

(c) If the Buyer so requests, the Seller shall remove all packaging material from the Buyer's premises after the Delivery.

4.5 The Seller shall notify the Buyer without delay of all details of any potential or actual delay to the Delivery and of the Seller's the planned recovery actions.

5. ACCEPTANCE - INSPECTION

5.1 Without prejudice to the provisions of article 4.3, the Buyer may verify the progress and proper performance of the Order and inspect the Goods at the Seller's or its subcontractors' premises or elsewhere during normal working hours and upon reasonable notice and the Seller shall undertake to allow these activities to the Buyer. The Seller shall provide, and cause its subcontractors to provide, the Buyer and its representatives with such a reasonable access to its premises as required for these inspections.

5.2 The Seller shall have an established and implemented Quality System in accordance with ISO 9001 or equivalent standards, depending on the nature of the Goods.

5.3 The Buyer shall notify the Seller of any apparent defects in the Goods without delay and it may reject defective Goods within 28 days from the Delivery and request the Seller to collect them at its expense and risk.

6. TECHNICAL DOCUMENTATION

No later than at the date of the Delivery, the Seller shall deliver to the Buyer all technical documentation relating to the Goods, any other supporting documentation customarily supplied with the Goods or reasonably requested by the Buyer. Such technical documentation is the Buyer's property and is considered an integral part of the Goods.

A title to the elaborated project documentation, other results of brainwork, software, which includes also databases used for monitoring or other purposes, a programme (thereinafter a subject matter of intellectual property rights) passes to the Buyer at the moment of delivery and acceptance of the project documentation.

In a case of custom-made or modified software, a source code list in a plain text format shall be a part of the documentation. Where a Contract mentions a digital format, it is considered that the digital format is also in the so-called editable form, i.e. in "dwg" format.

The Seller herewith transfers the license authorization in term of copyrights, pursuant to which the Buyer is entitled to execute on its own behalf and at its own expense all copyrights to the subject matter of intellectual property rights in order to use the subject matter of intellectual property rights especially for ensuring manufacture, maintenance and spare parts, or to entrust a third party with this assignment (with a possibility to vest also to other subjects – sublicense). In the case the Buyer is not entitled to execute the rights, the Seller is obliged to gain such rights. If the Seller neither gains the proprietary rights, nor they are transferred to it, the Seller is obliged, until such time as it gains the rights, to vest the right of an exclusive and unlimited licence for the project documentation, with a right to sublicense. If the Buyer uses its right to use the documentation and makes changes therein, the Seller

does not bear the responsibility for such changes of work. If the Buyer charges a third party with this task, such third party is not entitled to use the project or technical documentation for its own economic or other profit. However, this profit is not meant a remuneration obtained by the Buyer for actions performed as described above. The Seller declares that it is entitled to transfer all proprietary rights of author crafts performed according to the Contract for work (in particular software, project documentation), because it is entitled to treat the crafts as its own and they are free and clear of any copyrights or other rights of third parties. In a case of application of sanctions and claims to the Buyer due to infringement of third party rights, these will be reinvoiced to the Seller and the Seller shall pay within a due period of 30 days, unless otherwise specified in the Contract. The Buyer's right to claim any damages resulting there from, including the non-pecuniary damage, shall not be affected. The Seller shall indemnify the Buyer for any potential damage resulting there from, including any loss of profit. In the case the Seller has submitted a patent application, invention application or similar to have the subject of work under the protection of industrial property, the Seller shall grant the Buyer the right to use them free of charge.

7. WARRANTY - LIABILITY

7.1 The Seller warrants that the Goods: (a) conform with all agreed specifications and requirements, (b) are fit for the purposes made known to the Seller, (c) are free from defects in design, materials and workmanship, and any lien or encumbrance, or any other third party rights and (d) comply with all applicable statutory requirements and standards.

7.2 The Seller warrants due performance of the Goods for a period of 2 years after they are put into service and provides the Buyer with a warranty for the quality of the Goods.

7.3 If defects are found out on some Goods, the Buyer may: (a) reject the defected Goods and require the Seller to repair them or deliver replacement Goods at the Seller's expense, (b) terminate the Order according to the provisions of article 11 (Termination), if the Seller fails to deliver replacement or repaired Goods within a reasonable time, (c) accept the Goods with an equitable reduction in price. The Seller shall remove the rejected Goods from the Buyer's premises no later than 30 days after their rejection, at the Seller's risk and expense.

7.4 If the Seller fails to deliver replacement or repaired Goods within a reasonable time, the Buyer may replace or repair the Goods at the Seller's expense.

7.5 Any Goods repaired or replaced are subject to provisions of this article and the warranty period according to this Contract applies to them from the date of Delivery or repair.

7.6 The Seller is responsible for defects or other failures to meet the requirements of the Order, regardless of any inspection, approval or acceptance of Goods.

8. THIRD PARTY RIGHTS

8.1 The Seller warrants that neither the Goods nor their sale infringes or violates any third party rights. The Seller shall indemnify the Buyer, including for the non-pecuniary damage, and holds harmless the Buyer against all claims, damages, losses or expenses arising out of any infringement of third party rights. The Seller shall, at its own expense, if so requested by the Buyer, defend the Buyer against such claims.

8.2 If the Goods become the subject of claims of infringement of third party rights, the Seller shall, after consultation with the Buyer, either obtain the right for the Buyer to use the Goods or modify or replace the Goods to remove the infringement, without prejudice to the Goods' compliance with the Order.

9. NON-DISCLOSURE - PROPRIETARY RIGHTS

9.1 All written information concerning the Goods supplied to the other Party, the disclosing party's business, forecasts, know-how, specifications, procedures and all technical and commercial information, documents and data disclosed in connection with an Order shall be treated as confidential and shall not be disclosed to third parties without the disclosing party's prior written consent, with the exception of treating the subject matter of the Contract including intellectual property rights according to art. 6 of these conditions, which passed to the Buyer. Such information shall be used exclusively for the performance of the Order or for the purpose of preparing offers or quotations for the Buyer. The obligation stated in this article 9 will remain in force for 3 years from the date of Delivery.

9.2 The rights of ownership and the intellectual property rights in any designs, drawings, samples and other documents that were delivered by the Buyer to the Seller remain with the Buyer.

10. FORCE MAJEURE

10.1 Neither of the Parties is liable for delay or failure in performing all or a part of the Order, to the extent that its performance has been prevented, delayed or hindered due to an event beyond its reasonable control, which could not have been reasonably foreseen on the date of the Order, nor can reasonably be avoided; including (but not limited to) general strikes, epidemics, floods, earthquakes, war, embargo and civil unrest (each of these events shall be certified by the relevant authority / Chamber of Commerce as "Force Majeure", where applicable). Force Majeure does not include any strike, lockout or other labour dispute initiated by, or involving only, workers or employees within either Party's organization.

10.2 A Party claiming Force Majeure shall provide evidence to the other Party together with a notice that its performance has been or may be prevented or delayed within 5 days of occurrence of Force Majeure and use all commercially reasonable efforts, which can be requested, to mitigate the effects of Force Majeure.

10.3 If the effects of Force Majeure last 3 months or less, the Goods affected shall be delivered at a time agreed between the parties, being no later than 6 months after the effects of Force Majeure have ceased to exist.

10.4 If the effects of Force Majeure last longer than 3 months, either Party may terminate the Order involved on 28 days' notice.

In the absence of termination of the Order, the Goods involved shall be delivered at a time agreed between the Parties, being no later than 12 months after the effects of Force Majeure have ceased to exist.

10.5 The Party claiming Force Majeure shall notify the other Party within 5 days that the effects of Force Majeure have ceased to exist.

10.6 If the Seller claims Force Majeure, the Buyer may purchase similar goods from alternative sources, in which case it is released from its obligations to purchase the Goods from the Seller.

11. TERMINATION

11.1 The Buyer may suspend performance of the Order for a period determined by the Buyer, or terminate it wholly or partly, without cause, by giving the Seller 14 days' prior written notice. In such cases, the Buyer shall pay all reasonable direct costs for the Order incurred by the Seller up to the time of suspension or cancellation.

11.2 If a Party breaches the Order, the other Party is entitled to terminate the Order without any further obligation or liability with immediate effect and recover from the breaching party all direct costs relating to the termination including recovery of any amounts paid under the Order.

12. INSURANCE

The Seller shall take out and maintain in force all insurance policies necessary to cover its liability under the Order. The Seller shall provide the Buyer with evidence of such insurance.

13. SUBCONTRACTING

The Seller shall not sub-contract any part of its obligations to third parties without the prior written consent of the Buyer.

Such consent may not be unreasonably withheld or delayed. Any sub-contracting is at the Seller's sole expense and risk. The Seller is liable for the acts and omission of its subcontractors and shall indemnify the Buyer against any loss or damage suffered by the Buyer arising from any act or omission of its sub-contractors.

14. ASSIGNMENT

Neither Party may assign, pledge or transfer its rights or obligations under the Order (including the right to receive a payment) without the other Party's prior written consent. In the case of infringing this arrangement by the Seller, such act is considered invalid and the Buyer may impose on the Seller a contractual fine amounting to 30% of the value of such unjustifiably assigned, transferred or pledged performance. Such consent may not be unreasonably withheld or delayed.

15. JURISDICTION - APPLICABLE LAW

15.1 The Order is governed by and shall be construed exclusively in accordance with the substantive laws of the Buyer's place of incorporation. The UN Convention on Contracts for the International Sale of Goods of 1980 does not apply to the Order.

15.2 Any disputes arising out of or in connection with the Order shall be settled by the competent Courts of the Buyer's place of incorporation. However, the Buyer reserves the right to bring a dispute, in which the Seller takes part, before Courts having jurisdiction over the Goods, the Seller or its assets.

16. COMPLIANCE WITH LAW AND POLICIES OF GO Steel Frýdek Místek a.s.

16.1 Compliance with law

Each Party shall comply, and shall ensure that its directors, officers, employees, suppliers, contractors, subcontractors and agents ("Personnel") comply, with all applicable laws, including those concerning corruption, money-laundering, the payment of bribes, tax evasion, economic sanctions, the registration, evaluation, authorization and restriction of chemicals, health protection and safety and shall not undertake any activity that is unlawful.

16.2 Corruption

Each of Parties declares that it has not paid, has not agreed to pay, and will not pay directly or through its Personnel or any entities acting on its behalf, any commission, facilitation payments or inducement in connection with the Contract.

16.3 Fraud

The Parties shall take all necessary steps in accordance with good industry practice to prevent any fraudulent activity by either of Parties or their Personnel or the directors, officers, employees, suppliers, contractors, sub-contractors or agents of their Personnel.

16.4 The Code of Business Conduct – Fraud & Corruption - Human Rights

The Seller has reviewed the following Policies of GO Steel Frýdek Místek a.s.: The Code of Business Conduct of GO Steel Frýdek Místek a.s., Anti-corruption Directive, Human Rights Policy ("Policies"), as set out on GO Steel Frýdek Místek a.s. website www.gosteel.cz.

In the performance of its obligations under the Order the Seller shall comply with the principles contained in the Policies and shall ensure that its directors, officers, employees and all representatives (including, without limitation to, its agents, brokers, distributors, subcontractors, joint venture partners, subsidiaries and their employees,

thereinafter "Related Parties") comply with principles set out in these Policies and all applicable laws, including those concerning corruption, the payment of bribes, money-laundering and economic sanctions.

In the event that the Seller is aware of any infringement or alleged infringement of the The Code of Business Conduct of GO Steel Frýdek Místek a.s., the Seller shall report the infringement or alleged infringement immediately by sending a message to info@gosteel.cz. The Seller undertakes that neither the Seller itself nor the Related Parties have provided or will provide, offer or approve any gifts or commission, promises or any other favours for or in order to use benefits to any of the Buyer's employees, agents, subsidiaries, officers, directors or any other representatives, in connection with the Order or any other Contract with the Buyer.

If the Seller or its Related Party fails to adhere to this provision or breaches the Policies, this is considered as serious infringement of conditions of the Order and the Buyer is entitled to withdraw from the Order in writing. The Buyer may cancel, postpone or withhold a payment relating to the Order in the case of a justifiable assumption that the Seller or its Related Parties have breached or intend to breach this provision or the company Policies. Eventually, in the case of withdrawal from the Order, the Buyer may demand a return of the executed payment against a return of the corresponding fulfilment provided by the Seller to the date of the withdrawal. The Seller shall indemnify the Buyer, its subsidiaries, directors, officers and employees and holds harmless the Buyer against all claims and damages, costs or expenses (including reasonable fees for legal services performed by lawyers) arising out of any infringement of this provision by the Seller or its Related Parties.

16.5 Internal controls, record keeping and audit rights

16.5.1 The Seller shall carry out, and ensure that its Personnel carry out, adequate internal controls and procedures to assure compliance with this clause 16, including procedures to accurately record and report all relevant transactions in its books and records.

16.5.2 The Seller shall retain, and ensure that its Personnel retain, all records, invoices and information related to the Order ("Records") for a period of ten (10) years after its completion or termination. The Seller shall provide the Buyer with originals of any Records, on request. The Buyer may reproduce and retain copies of any Records.

16.5.3 The Buyer may monitor or audit the Seller's compliance with this clause 16 at any time while the Order is in force and within ten (10) years of its completion or termination. In the course of such monitoring or auditing, the Seller shall provide the Buyer (or its authorized representative) with access to its premises and Records (including premises and Records of its Personnel) and permit the Buyer (or its authorized representative) to interview the Seller's Personnel, upon the Buyer's request. The Seller shall implement recommendations arising from such monitoring or auditing within the deadline prescribed by the Buyer.

16.6 Seller's indemnity and risk

16.6.1 The Seller indemnifies, defends, and holds harmless the Buyer, its affiliates and associated companies, and its and their Personnel from and against all liabilities, losses, damages, injuries, costs, expenses, actions, proceedings, claims, demands, fines and penalties arising out of the Seller's breach of its obligations, warranties or undertakings stated in this clause 16.

16.6.2 To the extent that the Seller or its Personnel enter the Buyer's property, they do so at their own risk.

16.7 Seller's liability

Nothing in this clause 16 limits or excludes any obligation or liability imposed by Law on the Seller or its Personnel and/or its directors, officers, employees, suppliers, contractors, sub-contractors or agents of its Personnel.