



# Riva Acier General Terms and Conditions of Sale

**General Terms and Conditions of Sale:** Riva Acier - Z.I. de Limay-Porcheville  
F-78440 Gargenville - **Tel:** +33 1 30 98 20 00 **Fax:** +33 1 30 98 20 21  
**Email:** commercial.france@rivagroup.com

## I. PREPARING THE SALES CONTRACT

All our contracts are subject to these General Terms & Conditions of Sale, any waiver may apply only following an express and written document on our part. Any clause contrary to these terms and conditions in the documents issued by our clients is null and void. Any order, or order modification (quality, specification, destination), must be expressly accepted by us in the form of an ORDER CONFIRMATION. When a client has not submitted any written observations within 10 days of sending the ORDER CONFIRMATION, Client is considered to have accepted all the provisions therein. Offers remain valid for five days from their submission by RIVA ACIER, unless otherwise specifically agreed.

Shipping instructions must be indicated in the Client's purchase order. Unless otherwise instructed, products sold will be shipped in a single batch to the same destination. We will have the option to cancel all or part of any order for which execution specifications and shipping instructions have not reached us within eight days of a formal notice.

We will also have the ability to charge for any manufactured tonnage and to request payment as per the terms of the contract. Our goods are manufactured and delivered with the usual tolerances for dimensions and weights, or in accordance with the standards and regulations in force. Furthermore, we reserve the possibility to provide up to six percent of short bars.

## II. CONTRACTS

Contracts are deemed terminated as of right at the end of the set term, without prior or formal notice on our part; Quantities which, at that date, could not be shipped to the client for reasons due to the client, may be cancelled without indemnities to be paid by us, or may be invoiced by us for payment as per the terms of the contract. Monthly tonnages may not be carried forward for the following months without our written acceptance. Any supply continued after the term has expired may not be invoked as a tacit extension of the contract.

## III. FORCE MAJEURE MANUFACTURING DEADLINE

Manufacturing deadlines are provided for each order or contract only as an indicative and approximate guideline, they cannot in any way constitute a firm commitment on our part to deliver on a fixed date.

Delays cannot in any way justify the payment to the purchaser of any compensation or penalty by our Company. Generally speaking, any penalties for any reason must be stated in specific agreements and must be expressly approved by our Company in writing. Consequently, no action or challenge can be brought against us in the event of any dispute between the buyer and his clients.

It is expressly agreed that any manufacturing slowdown or interruption caused by mobilization, war, riots, total or partial strikes, any lockouts of our factory or industries or public services contributing to supplies and operations; engine power shutdown, mechanical failure, fires, natural disasters, shortages of raw materials, personnel or means of transportation, shall be considered as a case of force majeure resulting as of right in suspended deliveries, and proportionately delaying the time required to manufacture the products. Furthermore, should the manufacturing program be changed as a result of such events, our Company would have the right to cancel the delivery of all or part of the products, the manufacturing of which our Company would have abandoned, without the obligation to pay any indemnities, and the purchaser would remain obligated to accept the delivery of the quantities that were ready at the time of cancellation.



## IV. DELIVERY - BUYER'S RISK

Our products are deemed taken and approved in our factory, and the buyer bears the risks relating thereto as soon as product is loaded, even when prices are established prepaid, FOB or CIF. There can be no waiver to this rule. Removal by the client by road transportation on own account may be performed only with a notice period of at least 48 hours. The client is responsible for verifying that product's characteristics information matches client's manufacturing requirements.

We are not bound by any other specifications except in the case of specific requests by a client, which we have accepted. If, at client's request, there is to be a formal technical acceptance, the process will take place before shipping and will be final. After loading, no liability shall be accepted for any cause, and it is the buyer's or recipient's responsibility to pursue any remedies against the carrier or insurer and to secure the necessary reservations in a timely matter in order to preserve his right to possible compensation.

Binding wires are only used to contain packs or packages but are not, within the meaning of the 2006/42/EC European Directive, a "lifting accessory" and are inappropriate for lifting or handling packs, packages or any other loads. It is recommended that appropriate lifting devices be used in accordance with current regulations, and that lifting accessories be visually reviewed prior to each use to ensure their appropriateness and compliance. The instruction notices and EC compliance certificates provided for lifting accessories are available on the websites of RIVA Group's relevant companies, at <http://www.rivaacier.com>.

For truck shipments, loading and securing are performed under the sole responsibility of the carrier, our personnel's involvement and the use of our equipment being subject, in any event, to the sole control, management and liability of the trucker, and therefore no liability can be attributed to us as a result of defective loading or stowage conditions. The above provisions also apply when shipping is performed by client pick-up for own-account road transport.

Any claim is admissible in writing only within the following time frame and under the following conditions:

- Claims concerning quantities, weights, condition and dimensions, within eight days of the arrival of the goods at their destination, before any processing, and provided that disputes were included in legal reservations with the carrier.
- Claims concerning quality, within a fortnight of arrival at destination in the case of a hidden defect, and provided that no alterations were made before use. After these deadlines our goods are deemed definitively accepted. Products which, as a result of an error in manufacturing or whose quality is recognized to be defective after an adversarial examination, cannot be implemented for the intended use, will be handled, as per our choice, in one of the following ways:
  - Either replaced as soon as possible, without us being held to immediate manufacturing or to paying an indemnity, and the defective goods must be handed over to us;
  - Or refunded at the price at which they were invoiced, and no more. We do not accept any responsibility for tests performed outside our factory and in our absence. Only the overall weight of each shipment is guaranteed, including packaging. Partial weights on shipping notices and invoices, and the number of bars or packs are only provided as an indication not subject to guarantee. Unless otherwise stated, our invoicing is based on transportation taxes, tax charges, customs duties if any, etc., in effect on the date of shipment.

## V. DESTINATION OF GOODS

In accordance with the ECSC treaty, the buyer must indicate the actual and final destination of the steel products in his order, he cannot change the destination or the delivery location without our prior written agreement.

Any breach of this formal condition would result, without prejudice to any action we may undertake to safeguard our interests, in an obligation to pay us a fixed penalty upon receipt of a formal notice by registered letter, set contractually at 30% of the tax-included value of the goods in question.

This formal condition applies to our buyers' direct and indirect customers, for whom they remain responsible to us, it being their responsibility to take out all sureties ensuring compliance with this contractual clause. The same obligations apply in the case of removal by the buyer for own-account transportation by truck.

## VI. RETENTION OF OWNERSHIP

By express agreement and notwithstanding any contrary clause:

- We reserve ownership of the goods sold until full payment of the price and its accessories, it being specified that only the actual cashing of check and other trade effects will be considered payment. The following are not considered payments: handing over drafts or any security creating an obligation to pay.
- Notwithstanding the retention of ownership, the risks and custody of the goods are transferred to the buyer as soon as they leave the seller's factories, warehouses or stores. The buyer undertakes to keep these goods in such a way that they cannot be confused with other goods and can be recognized as our property.
- In the event of total or partial non-payment of the price at maturity, we reserve the ability to require the return of the goods at the buyer's risk and peril. Such a restitution does not amount to a resolution of the sale.
- The buyer's payments will be allocated in priority to payment of our invoices, for goods that may have been used or resold. Goods remaining in the buyer's premises that are the goods covered in our notices of shipment or any other documents will be presumed to be identified as the goods delivered by ourselves. In the absence of a written denunciation of this clause within eight days of sending our confirmation of sale, this clause shall be considered by us to be accepted without reservation. This clause is an integral part of our General Terms and Conditions of Sale.



## VII. PRICE - PAYMENT - WARRANTIES

The prices stipulated in our sales confirmations are indicated for 1000Kgs unless otherwise stipulated.

Unless otherwise stated in our acknowledgments of receipts of order, changes in transport fares, tax charges, customs or other duties and potential export premiums occurring between the conclusion of the sales contract and shipping shall be the responsibility of the buyer. Unless otherwise stated in the acceptance of the order, payments will be made in accepted form within 30 days from the end of the month of shipment or factory availability on the following 15th, with no discount. Any claims concerning any supply do not exempt the buyer from paying the invoices at maturity.

Advance payments will have 0.3% discount applied per full month of effective advance. We agree to receive instruments by way of payment only without any guarantee or liability on our part, particularly for irregular or protested instruments, despite the NO CHARGE indication, as well as for absence or denunciation of protest within the legal deadlines. Payments shall be effected on the due date, to ourselves or to any person or company we may name.

In all cases, we reserve the right to claim settlement from the purchaser by accepted draft as per Article 124 of the Code of Commerce. We reserve the right, in the course of a contract or an order, even in the absence of any outstanding payment, to demand guarantees of payment and proper execution of the commitments, and to terminate the balance of the contract if these payment guarantees are not provided or if we feel that they are insufficient. Likewise, in the event of a change in the buyer's situation, including death, incapacity, dissolution or company change, mortgages on buyer's properties, collateralization of his business or lien filings, the Company reserves the right, even after partial execution of an order, to require guarantees or to cancel the rest of the orders recorded under the client's name.

## VIII. DELAY OR PAYMENT DEFAULT

In all cases where a payment is not effected on the normal due date, we reserve the right to demand payment by accepted draft with bank approval or an equivalent guarantee.

In the event that this condition is not satisfied, we would have the option of either suspending manufacturing and shipments without further notice or, if the requested guarantees were not provided to us within 15 days, to cancel the remaining quantities to be delivered, by registered letter. In the event of non-payment of all or part of an invoice on the due date, under a penalty clause and in compliance with amended Law 92-1442 of 31 December 1992, buyer will be liable for a penalty for late payment, supplemented by the lump sum indemnity of 40 euros for recovery costs, which penalty shall be calculated by applying to the full amount owed an interest rate equal to the 3-month Euribor rate plus four points; with a minimum at 1.5 times the legal interest rate.

This penalty clause is stipulated without prejudice to our Company's right to consider the contract as resolved as of right with no judicial formalities. Failure to pay for any reason whatsoever of all or part of the goods ordered from us, authorizes us, if we see fit, to stop the shipments which remain, and to consider the balance of the contract or subsequent contracts as terminated, immediately and as of right, without the need for any formal notice or judicial formality, while our rights to damages remain reserved.

Furthermore, failure to pay any or all of the invoices at maturity will result in the expiry of the term as of rights and without any formality, as well as the immediate enforceability of payment of any sums owed in respect of any other invoices we may have issued.

## IX. ATTRIBUTION OF JURISDICTION

By express agreement, formally approved and accepted by our clients, the COMMERCIAL COURT OF VERSAILLES shall have sole jurisdiction for any disputes regarding the interpretation and execution of orders, contracts or their aftermath, our goods and payment for these goods, regardless of the location of payment, even in the event of a warranty appeal or in case of multiple defendants.

Our provisions or the acceptance of regulations do not imply any novation of obligations or waiver from this jurisdictional clause. However, in the event that we were the plaintiffs, we reserve the right to take the defendant to the court in the location of his head office or of the location of his establishments that are involved in the litigation. In the event of litigation or disputes, the client cannot link them to other, earlier disputes or litigations, nor to cases that are following their normal course.