

General Terms and Conditions of Purchase of Tubi Acciaio Lombarda
TAL Holland BV. From now mentioned as "TAL" (January 2013).

1. Application

These Terms and Conditions of Purchase shall govern all agreements/assignments concerning the purchase of goods and/or services by TAL (hereinafter to be referred to as the "Order"). These Terms and Conditions shall set aside any and all terms and conditions adopted by the supplier or contractor (hereinafter to be referred to as the "Supplier"), unless the parties agree otherwise in writing.

2. Validity of Orders

TAL's Orders shall be binding on the Supplier. They shall only bind TAL however, if its order confirmation is signed and returned by the Supplier within fourteen days. If delivery in whole takes place within said period of time, such a delivery shall be accepted, provided that;

- a. The delivery conforms to TAL's Order, including the conditions attached to the Order;
- b. The Supplier still signs and returns the order confirmation to TAL within the above-mentioned period of time.

3. Prices and Payment

3.1 The prices agreed upon shall include any and all costs to be incurred by the Supplier in relation to the Order, on the understanding that they shall be exclusive of VAT and any import duties that may become due.

3.2 The prices to be agreed upon by the Supplier and TAL shall be final and binding and may not be changed without the prior written consent of TAL.

3.3 Payment shall be made as agreed in the Order.

3.4 Invoices shall be submitted to TAL in duplicate.

3.5 If TAL has made any goods available to the Supplier or has made any prepayment for goods in full or in part, TAL may demand a deposit or bank guarantee to be issued by a bank that is acceptable to TAL. The costs involved shall be borne by the Supplier.

4. Quality and Conformity

4.1 The Supplier warrants:

- a. that the goods delivered are fit for the purposes for which they are intended, insofar as these purposes were made known to the Supplier or ensue from the nature of the delivery;
- b. that the goods are delivered in conformity with TAL's Order and/or its specifications and/or drawings, and that the delivery also conforms to the statutory requirements at the time of delivery;
- c. that the goods delivered are brand new, of good quality and are free of any defects.

4.2 If the Order refers to any technical, safety, quality or other provisions and documents, which have not been attached to the Order, the Supplier shall be deemed to be familiar with such provisions or documents, unless it immediately notifies TAL in writing contrary. In such an event, TAL shall inform the Supplier of the provisions in further detail.

5. Warranty to Repair Defects and/or Replace Goods

5.1 If the delivery is not in accordance with the provisions set out in Article 4 of these Terms and Conditions, the Supplier shall, at its own expense and at TAL's option, either repair or replace the goods concerned at TAL's first request, unless TAL prefers a cancellation of the Order on the basis of Article 14 of these Terms and Conditions.

5.2 The supplier shall bear all costs which are to be incurred in repairing the defects or replacing the goods in conformity with its responsibility set out in Article 5.1.

5.3 If the Supplier defaults in duly performing this warranty obligation, and/or defaults in performing the obligation within the period of time prescribed, TAL shall be entitled to take all measures deemed necessary in this respect or to have such measures taken at the Supplier's risk and expense. If TAL exercises this right, it shall notify the Supplier.

5.4 The warranty provisions of Article 5 shall apply in full to any repaired or substitute components.

5.5 The Supplier shall bear the risk of loss attaching to any goods that have been replaced under this warranty obligation as of the time of replacement. The Supplier shall take possession of the goods replaced as soon as possible.

6. Quality Control

6.1 The goods to be delivered and/or the process and/or the products which are being processed, which are to be processed or which have been processed, may at all times be inspected, examined and/or tested by or on behalf of TAL, the costs involved shall be borne by the Supplier. Approval shall not imply acceptance by TAL. Within the framework of this Article, the Supplier shall particularly:

- a. grant access to the workplace and warehouse of the Supplier or its sub-contractor during working hours, provide TAL with all necessary personal and material assistance and, if requested, place a suitable room at TAL's disposal for inspection, examination or testing purposes;
- b. interrupt or cause the interruption of the process if, at any stage of the process, certain components or parts of the finished product fail to have the quality required.

6.2 In the event of any rejection, TAL shall notify the Supplier forthwith, thereby stating the reasons for the rejection. In such an event, the Supplier shall be obliged to repair or replace what has been rejected at its own costs and within the term prescribed by TAL. If the Supplier engages subcontractors or sub-suppliers in connection with the Order, the Supplier shall incorporate the provisions of Articles 4 and 5 in the contract concluded with the relevant subcontractors or sub-suppliers.

7. Passing of Title

7.1 Title to the goods ordered and accepted by TAL shall pass to TAL upon delivery.

7.2 Title to goods made available by TAL to the Supplier for performing the Order shall remain vested in TAL. If such goods are commingled or mixed in the process with the goods not owned by TAL, the latter shall have title to the goods which have consequently come into being.

7.3 When advance payments and/or pre-payments of orders have been made available, title to the goods ordered by the Supplier for performing the Order shall be transferred to TAL as additional security and the Supplier shall provide TAL with written specifications, duly signed by the Supplier, of the goods it is holding for TAL under this provision.

7.4 As concerns the goods referred to in Articles 7.1, 7.2 and 7.3 owned by TAL and kept by the Supplier, the latter shall be obliged:

- a. to clearly identify the goods owned by TAL;
- b. to make the goods available on TAL first demand and to deliver them or cause them to be delivered without charge at the location on TAL business premises as indicated by TAL or at any other place specified by TAL, without involving any right for the Supplier to retain these goods.

8. Delivery

8.1 Unless the parties agree otherwise in writing, the goods shall be Delivered Duty Unpaid ('DDU') at the location on TAL's business premises or elsewhere as indicated by TAL. The interpretation of the terms and conditions of delivery shall be governed by the 2010 Incoterms® issued by the International Chamber of Commerce.

8.2 The date of delivery or the term prescribed for delivery in accordance with the Order shall be considered of the essence.

8.3 Without prejudice to the provisions of Article 14 and save for the event of a delay in delivery of the goods ordered due to unforeseen causes beyond the Supplier's control (force majeure), TAL shall be entitled to require from the Supplier the payment of liquidated damages corresponding to no more than 5% of the Order's value.

9. Packaging and Dispatch

9.1 The Supplier shall ensure transport, insurance, packaging, etc. in the manner specified in the Order. This obligation shall remain imposed on the Supplier for the entire period of time in which the Supplier has possession of any goods of and/or designated for TAL, has such goods transported, processed, etc. by any third party.

9.2 The Supplier shall package and/or secure the Order in such a fashion that, when transported in a manner suitable for the type of delivery concerned, the goods reach the place of destination in a good state and can be safely unloaded at that place. Any requirements prescribed by TAL in the Order for packaging and/or securing the goods shall be satisfied by the Supplier with all due care.

9.3 If the parties agree that any certificates, drawings or other documents are to be included in the delivery of the goods, such documents shall form part of the delivery and the Supplier shall ensure that they are in TAL's possession no later than at the time agreed upon. If such certificates, drawings or other documents are not included in the delivery, TAL shall have the right to postpone its payment obligation.

10. Force Majeure

10.1 The Supplier shall not be liable for a delay in meeting any delivery date contained in the Order, if the delay is due to unforeseen causes beyond the Supplier's control, provided that the Supplier, at no cost to TAL:

a. immediately notifies TAL in writing of the reasons for the delay;

b. shall use its best efforts to avoid or remove the cause of the delay and to satisfy its obligation to deliver in a timely fashion by using all its required sources;

e. when the cause of the delay has been removed exerts its best efforts and all required Supplier sources to regain the delivery schedule by the earliest possible date.

Force majeure shall in no event be a delay in delivery by the Supplier's subcontractors or sub-suppliers; strikes, shut downs or walkout at the Supplier's premises or export restrictions of any nature.

10.2 The Supplier shall at all times prove to TAL's satisfaction that the late delivery was caused by an unforeseen cause beyond its control.

10.3 If the delivery of the Order is delayed in whole or in part as the result of any event covered by this Article and if, in TAL's opinion, such a delay may exceed one calendar month after the date of delivery specified in the Order, TAL shall be entitled to terminate the Order unilaterally, either in whole or in part and without any judicial intervention being required, and shall not be obliged to pay any financial compensation.

11. Assignments and Subcontracting

Without TAL's prior written consent, neither the Order nor its performance shall be transferred, assigned or subcontracted in whole or in part to any third party. TAL shall have the right to attach conditions to its permission. Such permission shall leave unimpaired any obligations ensuing for the Supplier from the Order.

12. Changes

12.1 TAL shall at all times be entitled to change the Order agreed upon between TAL and the Supplier.

12.2 In the event of any change decided by TAL the Supplier shall be obliged to inform TAL within 14 days after it was notified of the intended change or after it could have taken note of such a change, whether it accepts the change, specifying the conditions, if any, on which it is prepared to accept. If the Supplier fails to do so, the changes concerned shall be deemed to have been accepted.

12.3 If TAL considers the Supplier's conditions to be unreasonable in view of the nature and the extent of the change, it shall be entitled to cancel the order by written notice. A cancellation pursuant to this paragraph shall not entitle either of the parties to claim any damages.

13. Termination

13.1 If the Supplier fails to perform any of its obligations arising from the Order or fails to perform such obligations in a timely or proper fashion, or if the Supplier is declared bankrupt or is granted a suspension of payment, or in the event of a

shutdown, liquidation or takeover of its business, the Supplier shall be deemed to be in default by operation of law. In such an event, TAL shall be entitled to wholly or partially terminate the Order unilaterally, without any notice of default or any judicial intervention being required, by sending a written notice of termination to the Supplier. TAL shall not be liable for any damage without prejudice to any other rights or remedies available to TAL.

13.2 In the event of any termination as referred to in paragraph 13.1, TAL shall be entitled to complete the Order either itself or through a third party, if necessary, by using materials and tools provided by the Supplier against fair and reasonable prices to be mutually agreed upon.

13.3 Any claims which TAL may have against the Supplier by virtue of the occurrence of any such an event shall become payable immediately.

14. Rights of Third Parties

The Supplier warrants that the Order does not infringe any industrial property rights of third parties. The Supplier indemnifies TAL against any claims in this respect, unless the Supplier shall prove that TAL was liable for the infringement.

15. Risk of Damage / Liability of the Supplier

15.1 The Supplier shall be liable for any damage caused to TAL or any third party by goods delivered by the Supplier or by acts and/or omissions on the part of the Supplier in the performance of the Order. The Supplier shall indemnify and hold TAL harmless from and against any and all claims in this respect.

15.2 The Supplier shall adequately insure its liability under this Article. The Supplier shall furnish the relevant insurance policy for inspection by TAL at the latter's request.

16. Confidentially

The Supplier shall keep confidential all TAL's business affairs, in the broadest sense of the word, of which it has gained knowledge within the framework of the order. Said business affairs shall include all information concerning regulations and specifications of materials.

17. Applicable Law

The Order and any agreements ensuing there from shall be governed exclusively by the laws of the Netherlands.

18. Disputes

18.1 Save for proceedings on appeal and on cassation, all disputes arising between TAL and a Supplier based in the Netherlands in connection with the Order or any agreements ensuing there from shall be submitted in the first instance to the competent district court in the jurisdiction in which TAL has its principal office, in as far as this is permitted by law.

18.2 All disputes arising in connection with the Order or any agreements ensuing there from between TAL and Suppliers, which have their principal place of residence or their corporate office outside the Netherlands, shall be finally settled in accordance with the Rules of the Netherlands Arbitration Institute established in Rotterdam.

19. Code of Conduct, Safety, Security and environment

19.1 Supplier will act in accordance with the applicable environmental laws. Supplier will use best efforts to promote this Code of Conduct among its suppliers. Supplier will not engage, actively or passively, nor directly or indirectly in any form of bribery, in any violation of basic human rights of employees or any child labour. Moreover, the Supplier will take responsibility for the health and safety of its employees and of its customers. Suitable and save packaging and transport will be used to guarantee the security in the supply chain.

19.2 The Supplier shall perform its obligations under the Order in accordance with TAL's environmental policy, which is to conserve energy, water, wood, paper and other resources, reduce waste and phase out the use of ozone depleting substances and minimize the release of greenhouse gases, volatile organic compounds and other substances damaging to health and the environment.