General Conditions of Sales

1. SCOPE - COMPLETE AGREEMENT

All goods, accessories and services (hereinafter “Product”) delivered by Arcelor Rails, Piles & Special Sections Sàrl (hereinafter “Seller”) to the buyer (hereinafter “Customer”) shall exclusively be governed by these general conditions of sale (hereinafter “GCS”).

Oral agreements, representations, warranties, commitments shall only become valid upon express written confirmation by the Seller. Offers from the Seller are not binding without order confirmation. In the event of a sale concluded via an electronic marketplace, the confirmation of order will include all the specific characteristics requested by the Customer as accepted by the Seller. Any indications relating to weights, dimensions, technical descriptions, measurements, drawings, calculations in catalogue, scheme, diagram, sales documentation or any other means of representation at the disposal of the Customer are only on a purely informative basis and in no case binding. General conditions of purchase of Customer or any other additions or variations from the terms herein and of the order confirmation of the Seller shall not be binding upon the Seller even when not expressly justified. If any of GCS or part thereof shall be determined to be void, unenforceable or illegal in whole or in part, such determination shall not affect the validity of the other terms and conditions herein.

2. PRICES - PAYMENT

Invoice payment shall be made without discount in such a way that the Seller has the invoice amount at its disposal on the due date. Any transfer and correspondence costs relating to national as well as to foreign currency shall be borne by the Customer. All payments are for the account of the Customer. If Customer fails to pay on the due date, then Customer shall be obligated to pay, payable without prior notification interest at Euribor (1 month) rate plus an interest of 7% beginning from the due date, without prejudice to any other rights of the Seller caused by said payment failure. In case of a delay in the payment or in the execution of any obligation entered into by Customer or where Customer's solvency or credit worthiness deteriorates thus compromising the payment, Seller is entitled to require immediate payment of all sums or sufficient securities without previous notification and in the event Customer is not prepared to effect advance cash payment or provide the Seller with security as requested, then the Seller shall have the right without previous notification to retain that portion of the contract which it has not yet performed, or to cancel the contract. If Customer is subject to bankruptcy or insolvency proceedings, then Seller shall not be bound by the period of payment stated above: payment shall be made either prior to the dispatch of Products or prior to their manufacture. Customer shall not be entitled either to withhold payments or to proceed to any compensation even in such circumstances in case of dispute. In any event, in the event of payment delay, the Seller is entitled to prohibit the use of the Products and to the disposal of the Products he has delivered to the Customer.

3. WEIGHING - GRADES - DIMENSIONS

All deliveries are subject to the normally accepted tolerances as to dimensions, weight and quality. The invoiced amount shall exclusively be based on the weighing carried out by the supplying mill. The weights are to be accepted by Customer without objections. The charging for all kinds of packing, without any discount for packaging. A taking back of packaging material and square timber is excluded. Usually it is not usual to affect specific weighing, the total weight of the load is taken in account. Differences between the individual weights forming the load shall be proportionally shared between the same.

4. DELIVERY - SHIPMENT - VAT


4.2 - Customer 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(i) marking and shipping instructions, (ii) import certificates, documents required to obtain necessary government licenses and any other documents prior to their shipment, and (iii) Customer’s confirmation that it has caused the opening or establishment of a letter of credit if required. If any such instructions, documents or confirmations are not so received, the Seller may, at its sole discretion and without prejudice to any other remedies, delay time for delivery due account being taken of the constraints of the production planning. All extra charges resulting from incomplete loads, big lengths or other unforeseen circumstances will be charged to the Customer.

4.3 - Unless otherwise expressly agreed in writing, delivery times shall not be regarded as binding and delays in delivery shall not entitled Customer to claim any damages resulting therefrom. Delays in delivery shall only entitle Customer to cancel Products not yet in the process of manufacture on notice given in writing at the contract of the possible loss and damage consequent to delayed delivery. In any event, in case of production delays, the Seller is entitled not to supply the whole quantity that Customer has ordered in one delivery, but can deliver by several subsequent partial deliveries.

4.4 - Unless otherwise expressly agreed in writing, Seller is entitled to deliver Products which have been stored in open yard without any protection against rain. In case of loss or damage during transit or missing load, Customer shall comply with all necessary formalities in order to safeguard all rights towards the carrier. Seller is entitled to deliver Products which have been stored in open yard without any protection against rain.

4.5 - Events of force majeure affecting Seller or its suppliers entitle it to postpone delivery during the time of obstruction. Force majeure includes, strike, labor conflict, accident, fire, flood, Acts of God, delays in transportation, shortage of materials, equipment breakdowns, mill conditions, laws, regulations, orders or acts of any governmental agency or body, or any cause beyond the reasonable control of Seller, or rendering performance by Seller impracticable.

4.6 - In the event that the supply of Products is entitled to VAT exemption due to intra community sales or the export destination of Products delivered, and Customer takes delivery at his own risk and expense for the whole or for part of the carriage or transport (delivery terms EXW, FOB, FCA, etc.), the Seller shall only be bound to apply for a VAT exemption if Customer provides a sufficiently substantial proof (transport document, CMR, bill of lading, CIM, export declaration, etc.) of carriage or transport to the country of destination.

5. CONFORMITY - INSPECTION - LIABILITY - CLAIMS

Customer shall carry out inspection of Products immediately upon delivery in order to verify their quantity, weight, dimensions, surface, straightness and any quality characteristics. Claims of any apparent defects have to be notified upon discovery by registered letter receipt note requested by the Customer at the latest seven days following delivery and before any processing of the defective Product. No claim shall be accepted by Seller in respect of any defect, deficiency and/or failure of Products to meet the specific terms of the order which this inspection should have revealed.

Defects that could not be discovered notwithstanding this inspection at delivery have to be notified in writing by registered letter receipt note requested but not later than 6 months following delivery. Any claim shall be rejected if following the discovery of defects or the moment the same should have be discovered, the Customer continues with the processing of the Products.

Unless otherwise expressly agreed in writing, the Seller does not warrant the fitness of its Product to a specific use or their suitability for the uses intended by Customer. The use and processing of Products are undertaken solely at Customer’s risk. Any technical advice provided by Seller, is given in good faith but without any warranty on the part of the Seller. If Products are considered by the Seller as defective, its maximum obligation shall only consist at its sole discretion either in (i) the repair of the defects or (ii) replacement of Products. In the event of a non material defect, Customer shall only be entitled to such price reduction. In any event Customer must fulfill its obligation of mitigation of damages. In any event the Seller shall not be liable for any loss of processing expenses, loss of production, loss of revenue and/or any other consequential or special loss or damage directly or indirectly sustained by Customer or by any other person what so ever. Seller’s liability shall in any event be limited to 100% of the invoiced value of the defective or damaged Products. The sale of declassified material is made under the exclusion of all guarantees.

6. RETENTION OF TITLE

Supplied Products shall remain property of the Seller until fulfillment by Customer of its payment obligations as described above. As such:

a) If Products are processed, combined, and/or mixed by Customer with other Products, then the Seller has a joint ownership right in the whole value of the new Products with such suppliers. In such case, the ownership of the Seller shall be calculated on the basis of the ratio of the invoiced value of the Products to the invoiced value of all Products, which were used for manufacturing the new Products.

b) As long as the Customer is not in default and provided that it reserves its property right, Customer is exclusively entitled to resell Products in the ordinary course of business. Use of Products for executing contracts for work, labour and material is also herein regarded as a resale.

c) Customer’s claims resulting from the resale of Products are already assigned for security purposes, exclusively to the Seller. Customer is entitled to collect the claims from reselling, unless the Seller withdraws the direct debit authorization in case of any doubt about Customer’s solvency and/or financial credibility or if Customer is in arrears on any of its payments. In the event the Seller withdraws the direct debit authorization, Customer is obliged (i) to inform its clients immediately about the assignment to the Seller and that the Seller is the owner of Products, (ii) and to give the Seller all information and documents necessary in order to establish and confirm the rights of the Seller with respect to third parties. Customer shall be obliged to inform the Seller without delay about any garnishment and/or other any actions adversely affecting the Products undertaken by third parties. If the value of the existing security interests obtained by the Customer for the benefit of the Seller exceeds in total more than 20% the total invoiced amount of the contractual debt of Customer, the Seller is obliged, upon Customer’s request, to release Products selected by the Seller.

d) Seller may at any time enter Customer’s premises and recover all and any unpaid Products from Customer if the amount outstanding from Customer to Seller in respect of Products supplied or any other amounts owed remain unpaid after due date for payment.

e) Customer shall have the sole liability for, and shall bear all risks and costs associated with the unloading, correct handling and suitable storage of Products and/or the new Products as described in Article 6 above. Moreover, Customer undertakes (i) to take a general liability all risks insurance policy, at its own cost, including coverage as to the deterioration and/or theft of all or a part of Products and/or of the new Products and (ii) to provide to the Seller at its first request, a certificate confirming both such insurance coverage and the payment of the insurance premium related thereto.

7. DESTINATION CLAUSE

Products expressly intended for export to non E.U. countries shall not be delivered by the Customer to E.U. countries. In case of resale, the Customer has to impose this provision upon its own customer. If these provisions are imported upon its own customer, the Seller will have the right to claim from the Customer an indemnity equal to the loss of profit and a penal sum amounting to forty percent of the sales price.

8. JURISDICTION AND APPLICABLE LAW

The Courts of jurisdiction of incorporation of the Seller shall have the exclusive jurisdiction as to any and all disputes arising in connection with said sale contract. However the Seller reserves the exclusive right to bring any disputes involving Customer before the Courts of Customer’s jurisdiction of incorporation. Luxembourg law shall be the applicable law in all disputes arising under these GSC.