General Delivery Terms and Conditions of U. S. Steel Košice, s.r.o.

Article 1. Introductory provisions

1.1. These General Delivery Terms and Conditions of U. S. Steel Košice, s.r.o. (henceinafter referred to as “GDTC”) constitute an attachment to the Frame Contract, the Contract, the Order Confirmation, in particular the delivery term of the Order and/or delivery term of the Goods, as well as any other document referred to as “Contract”) and are an inseparable part of the Contract and the Agreement. Buyer shall obtain possession of the Goods only when the Seller uses the valid Title Document – Delivery to the Buyer in writing. The Buyer’s alternative terms and conditions shall not apply unless specifically accepted by the Seller in writing. The Buyer’s alternative terms and conditions shall not apply unless specifically accepted by the Seller in writing.

2. The Seller shall have no obligation to deliver the Goods to the Buyer unless the Buyer provides the Seller upon request of the Seller with one or more of the following collateral: an irrevocable bank guarantee; irrevocable documentary letter of credit; promissory note; advance payment; corporate guarantee; or some other form of security required and approved by the Seller in writing or according to the Contract.

2.2. If the Buyer is in delay with the payment of any of Seller’s receivables (regardless of the cause of its legal origin) against Buyer arising under any contract, the Seller has no obligation to deliver the Goods to the Buyer and Seller shall stop production of the Goods and/or in the case of prior delivery, the Seller is not delayed.

2.3. If the Buyer is in delay with the payment of the price of the Goods, the Seller is entitled to unilaterally change the price of the Goods as provided in the Frame Contract and/or agree that the Buyer has no right to repossess the Goods or re-export the Goods. The Buyer shall provide to the Seller all reasonable assistance requested by the Seller to repossess or re-export the Goods. The Buyer shall inform the Seller of the event when the Buyer no longer has any right to repossess the Goods or re-export the Goods. The Buyer shall provide to the Seller all reasonable assistance requested by the Seller to repossess or re-export the Goods. The Buyer shall inform the Seller of the event when the Buyer no longer has any right to repossess the Goods or re-export the Goods.

2.10. The Seller has no obligation to deliver the Goods to the Buyer unless the Buyer provides the Seller in writing no later than ten (10) days prior to the agreed time of delivery of the Goods.

2.11. In the event of a claim, the Buyer is not entitled to withhold any payment to the Seller or to withhold the Goods to be returned to the Seller or unilaterally set off its claims towards the Seller. The Buyer’s claim(s) will be settled separately, with no impact on the Buyer’s duty to pay to the Seller.

2.12. Partial deliveries of the Goods are allowed.

2.13. Weight of the Goods ascertained on the Seller’s scales is binding for both Parties.

2.14. If the Goods are not delivered to the Buyer despite delivery of the dispatch advice for the Goods, the Seller is entitled to inform the Seller immediately in writing no later than twenty-eight (28) days from the due date for dispatch of the Goods. The Buyer’s claim(s) shall be settled separately, with no impact on the Buyer’s duty to pay to the Seller.

2.15. If the Buyer is in delay with the payment of the Goods, the Seller is obliged to take the Goods (if transportation is otherwise by the Parties (e. g. electronic transfer of data) contractually stipulated for the delivery of the Goods) into the possession of the Buyer and transport it to the Seller’s bank account. If the Goods are in a third party’s warehouse, the Seller is entitled to charge the Buyer the cost of storing the Goods for a period of EUR 0.08 per each ton of Goods for each started day of storage. If the Goods are stored in a third party’s warehouse, the Seller is entitled to charge the Buyer the cost of storing the Goods for a period of EUR 0.08 per each ton of Goods for each started day of storage.
4. Each dispatch of the truck loaded with Pallets must be notified in advance to the Seller's Transport Division tel. fax: 00421/55/674330.

4.1. The Buyer undertakes to invoice the Buyer for the cost difference between the full transport tariff and the rebate.

4.2. If the Buyer violates the notification according to paragraph 4.4., the Seller is entitled to invoice the Buyer for the cost difference between the full transport tariff and the rebate.

5. The Parties have agreed that video recordings and/or photographs of the Goods, and there are no other photographs. The Parties have agreed that video recordings.

6. If the Buyer delivers the Goods to the Buyer by rail, the Buyer is obliged to accept the wagons for unloading the Goods from the carrier without undue delay, but no later than within 24 hours from the day the wagons are notified of unloading. The Buyer is unloading the wagons to the carrier within 24 hours of the delivery to the carrier of the wagons. If the Buyer violates the agreement on this paragraph 4.9., the Seller shall be entitled to the contractual penalty to be paid by the Buyer in the amount of EUR 24/day/wagon.

7. The Buyer undertakes not to remove, after loading the Goods, during transport thereof, the protective equipment, including the tarpaulin, the Buyer is obliged to maintain the lashing capacity of the tarpaulin, at least 10 pieces for vehicles with a payload of up to 30 tons, if the Buyer is using carriers, or the Buyer is not to equip the vehicle with a sufficient number of lashings with minimum lashing capacity of 2,000 daN or a multi-point lashing system with openings on the semi-trailer sides with a minimum lashing capacity of 2,000 daN to a maximum of 16 pieces of lashing points with a minimum lashing capacity of (LC) 2,000 daN shall be accepted.

The Buyer undertakes to properly inspect the Good in accordance with the Guidelines in the form of making video recordings and/or photographs that video recordings and/or photographs from the post-loading inspection whether the Goods were properly stowed, fixed and secured in accordance with the Guidelines shall be considered as valid evidence in case of any dispute, including legal proceedings.

The Buyer undertakes not to remove, after loading the Goods, during transport thereof, the semi-trailer, or the Buyer is not to equip the vehicle with the tarpaulin, if the Buyer is using carriers, if the Buyer is not to equip the vehicle with the tarpaulin for the transport of the Goods, the Buyer undertakes not to remove the tarpaulin, during transport thereof, the Buyer undertakes to properly inspect the Good in accordance with the Guidelines.

The Seller reserves the right to inspect the proper stowage, fixing and securing of the Goods after loading the Goods in accordance with the Guidelines in the form of making video recordings and/or photographs that video recordings and/or photographs from the post-loading inspection whether the Goods were properly stowed, fixed and secured in accordance with the Guidelines shall be considered as valid evidence in case of any dispute, including legal proceedings.

If the Buyer does not have a vehicle equipped with the necessary technical and protective equipment specified above, the Seller shall be entitled to equip the vehicle with the necessary technical and protective equipment. The driver of the carrier's vehicle shall confirm the supply of the technical and protective equipment on the loading list. The Seller shall then issue the Buyer an invoice for the supplied technical and protective equipment.

4.12. If the Buyer uses carter to arrange the transport, the Buyer shall be liable therefor as if the transport was performed by the Buyer itself.

Article 5. Liability for defects of Goods

5.1. The Seller manufactures the Goods according to agreed (international, domestic or other) technical specifications for dimensional, mechanical, physical, surface or other agreed characteristics. In order to make them contractually binding, the technical specifications and/or product, or Goods shall be set forth clearly in the Contract. Such technical specifications constitute the exclusive and sole representations of the Seller concerning the quality, capabilities and features of the Goods. The Parties agree that Article 35(2) of the CISG shall not be applicable to the contract or relationship between the Parties. The Seller does not guarantee that the Goods are fit for the ordinary purposes for which such Goods are usually used, nor for any particular purpose of the Buyer, and the Buyer agrees that it is not relying on the Seller's professional skill and/or judgment. If the purpose of use of the Goods is stated in a Contract, such a statement is of an informative nature only.

5.2. The Seller may be used accordingly with the applicable law only. The Buyer is fully responsible to comply with the applicable law when using the Goods.

5.3. The Buyer must examine the Goods, or cause them to be examined as soon as practicable after delivery of the Goods. The Buyer shall lose its entitlement to claim liability for defects of the Goods and the Seller shall not be liable towards the Buyer for any damage or liability due to defective Goods within the period of time stated in section 6.6. of the Contract. The Buyer is not to claim damages against the Buyer for defects of Goods during transport, warehousing, examination or inspection as set forth in the Contract, Recommendations for Customers or other related regulations, the Seller reserves the right to claim damages against the Buyer for defects of Goods during transport, warehousing, examination or inspection within the period of time stated in section 6.6. of the Contract. The Buyer reserves the right to claim damages against the Buyer for defects of Goods for a period of six (6) months from the date of delivery of the Goods. The quality warranty covers the defects that resulted from natural change of the physical or chemical features of the Goods, but not from the Seller.

5.4. The Buyer is obliged to notify the Seller of the nature and specifics of the defects of the Goods and the Seller shall not be liable for any damage due to defective Goods within the period of time stated in section 5.6. letter a) of the GDTC, or c) processes the Goods containing obvious defects. Obvious defects shall mean any and all defects that are visible upon a simple visual inspection of the Goods during examination of the Goods, regardless of when such defects were revealed.

5.5. If a hidden defect of the Goods is not detected during transport, the Buyer is not to claim for damages against the Seller for defects of Goods caused by breach of such obligation.

5.6. The Buyer provides that the Goods shall be examined for a period of six (6) months from the date of delivery of the Goods for a period of six (6) months from the date of delivery of the Goods. The quality warranty covers the defects that resulted from natural change of the physical or chemical features of the Goods, but not from the Seller.
5.1. The Seller guarantees ninety-seven percent (97%) of prime quality for individual coils delivered.

5.1.8. The Seller is not liable for defects of the Goods caused (a) by a breach of Recommendations for Customers, (b) by non-standard, unqualified or unsuitable storage, use, installation or testing of the Goods, (c) by any lack of cooperation or assembly of the Goods with other non-authorized Goods, (d) by attempts to modify or repair the Goods without the Seller’s prior written authorization, (e) by reasons related to unsuitable handling, transport or storage of the Goods, or (f) by any reason other than the standard use of the Goods.

Article 6. Force Majeure

6.1. Neither Party shall be liable for delay, or complete or partial failure to perform its obligations under the Contract, to the extent that its performance has been prevented, delayed or hindered by an extraordinary event in excess of its reasonable control and the reasonable cost and inconvenience of the affected Party, which could not have been reasonably foreseen or avoided, including but not limited to natural disasters, wars, war operations of various kinds, rebellions, civil commotion, sabotage, revolutions, acts of piracy, explosions, fires, flooding, general strikes, lockouts, official interventions of legal as well as illegal nature, or other circumstances occurring independently of the will of the Party, outside of control of the Party and which could not have been prevented, avoided or overcome (each a ‘Force Majeure Event’).

6.2. The Party affected by complete or partial inability to perform its obligations arising from the Contract due to a Force Majeure Event is obliged to inform the other Party in writing without unreasonable delay and within seven (7) business days after the fact or circumstances that confirm by original advice sent within next ten (10) days after occurrence/termination.

6.3. The affected Party shall, if requested, provide confirmation of such Force Majeure Event from the Chamber of Commerce of the location thereof, or demonstrate the existence of such Force Majeure Event another reliable manner.

6.4. If a Force Majeure Event lasts for sixty (60) consecutive calendar days, the Parties shall retain their rights and obligations under the Contract, and the time for performance of such obligations, as well as the validity of the Contract, shall be extended for a period of sixty (60) calendar days following the last day of such Force Majeure Event. If a Force Majeure Event lasts for more than sixty (60) consecutive calendar days, the Parties shall terminate the Contract by the Buyer with the due date thereof on the day following the day of delivery of the bill for contractual penalty to the Buyer.

6.5. The Seller considers any data stated in the Contract and any information or documents submitted to the Buyer in relation to the Contract confidential and the Seller shall be obliged not to disclose the information held in their possession to any third person, except as stated by law, required by state authority, court (including arbitration) or the Seller’s insurance contract. Disclosures of the aforementioned information by the Seller within United States Steel Corporation, its subsidiaries and affiliated companies, as well as disclosure to tax, legal or other advisors, consultants, auditors or in any other agreement with, are not considered an act of confidentiality, shall not be considered as a breach of this provision.

7.1. The Buyer shall be liable for all costs and expenses that arise from the failure to comply with the law valid in the State of import or transit of the Goods, unless such compliance is clearly stated in the Contract.

7.2. Except with prior written consent of the Seller, the Buyer is not entitled to present in any form the Seller as the Buyer’s business partner or use the Seller’s trade name or the Seller’s logo for the Buyer’s promotion, propagation or advertisement of the Buyer’s activities or other activities than the readings of the Buyer for media.

7.3. The Buyer takes note of the fact, that the Seller, within the frame of Customer relationship management (CRM) and with the aim of continuous improvement of services provided by the Buyer to the Seller, may use Buyer’s personal data, such as contact persons, e-mail addresses and phone numbers, in accordance with valid legal regulations.

7.4. The Buyer shall to familiarize itself with the privacy Notice on the Processing of Personal Data of the Seller (hereinafter also as “Notice”), that is placed on the website internet site of the Seller – part person. Data Protection http://www.usseko.uk/en/about-us/personal-data-protection/ and familiarize it’s employees and any other data subjects as well as other data subjects, whose personal data the Buyer will provide to Seller with the content of the Notice, and this before first providing of personal data of the data subjects to Seller, in any form possible.

7.5. The Buyer shall to provide the complete, correct, up-to-date, and accurate personal data of data subjects (especially but not limited to statutory organs, employees, other contact persons) in accordance with Regulation (EU) of the European Parliament and of the Council No. 2016/679 (General data protection (GDPR) and inform Seller without undue delay any and all changes and updates.

Article 8. Contract avoidance

8.1. Either Party is entitled to declare the Contract avoided by written notice to the other Party: a) if the other Party violates a breach of the Contract; b) if the other Party commits a substantial breach of the Contract. Substantial breach of the Contract shall mean mainly a violation of payment conditions, the Buyer’s delay with payment of purchase price of the Goods, or any action of the Seller’s receivables (regardless of the Seller’s legal origin) against the Buyer arising from any violation, contract obligation to secure purchase of purchase price of the Goods or non-takeover of stated values of the Goods in agreed terms as well as refusal to assist during delivery, or c) upon reasons stated in the Contract.

8.2. The avoidance of the Contract shall take effect on the day of delivery of written notice of avoidance of the Contract to the other Party.

Article 9. Liability for damages, Inspections and Audits

9.1. The liability of the Seller towards the Buyer for any damages is at all times limited to the amount of purchase price paid by the Buyer according to the respective Contract.

9.2. In no event shall the Buyer undertake the Goods, involving, without limitation, damages related to loss of production, loss of profit or expected profit, loss of expected future sale, good will damages, extra costs (e.g. costs of retransport of products, costs of products recall, other costs of use, attenuation of value, increased expenses and penalties, other sanctions or any claims imposed on Buyer by third parties, whether based upon non-compliance of the Contract, warranty or due to other reasons. The Seller is not liable for damages that could not have been foreseen. This limitation of liability is not applicable if the damage was caused by the Seller to the Buyer as a result of willful misconduct.

9.3. In no event shall the Seller be liable to the Buyer for any damages incurred as a result of Buyer or Buyer’s processing any Goods with obvious defects.

9.4. Except in the case of Seller’s gross negligence, the Seller accepts no liability for damage suffered by the Buyer’s personnel or damage suffered by any third persons participating in the performance of the Contract.

9.5. The Buyer is responsible for any breach of any of The Buyer’s employees or any persons assigned by the Buyer who are located within the Seller’s premises with all valid regulations related to Safety Work, Fire Protection, Seller’s Work Order or Seller’s Ethical Code. In case of violation of this obligation, the Seller is entitled to expel any such non-compliant persons from the Seller’s premises and cancel their entrance permission, including any participation in the performance of the Contract. In the event of any such acts of non-compliance, all damages suffered by the Buyer due to violation of such obligation of the Buyer.

9.6. The Buyer shall ensure that all of its employees or other persons assigned by the Buyer entering the Seller’s premises in relation to the loading of the Goods use the personal protection aids in accordance with the applicable legal regulations and the Seller’s regulations. The Buyer’s employees are not allowed to enter the premises of the Seller, located within United States Steel Corporation, its subsidiaries and affiliated companies, as well as other premises as possible from the Seller’s employees and others persons authorized by the Seller. If this prohibition is violated the vehicles shall be prohibited from entering the premises of the Seller and facilities of the Seller. The Buyer shall be held responsible for damages resulting from violation of this prohibition. The Buyer shall be required to enforce this prohibition with its subcontractors via its respective subcontracts.

Article 10. Economic sanctions

10.1. The Buyer represents and warrants that, with respect to its obligations under the Contract and any other agreement with the Seller, it is currently in compliance with, and shall remain in compliance with, all applicable rules, laws and regulations. The Buyer further represents and warrants that neither the Buyer nor any person having a beneficial interest in the Buyer (i) is a person whose name appears on the list of Specified Designated Nationals and Blocked Persons published by OFAC or any other similar list published by any of the above mentioned regulatory authorities (a “Listed Person”) or (ii) a department, agency or instrumentality of the government of a country subject to comprehensive economic sanctions administered by any of the above mentioned regulatory authorities, (iii) a foreign government, subdivision, agency or instrumentality of a government, (iv) a foreign person that is a blocked person, (v) a person or entity owned or controlled, in whole or in part, by any Blocked Person or (vi) any other person or entity, if such payment or transfer would be prohibited from being made by any Blocked Person or entity or entity described in clause (ii), (“Blocked Person”).

10.2. The Buyer represents and warrants that the Buyer is not engaged in the purchase, sale or transfers of Goods or services that it is receiving from the Seller will involve, request interaction with, concern, or relate to, in whole or in part, any Blocked Person or their assets or products.

10.3. The Buyer hereby agrees and warrants that the Buyer for breach of any of the terms of this Article at any time during the term of the Contract shall be considered a material breach of this Contract.

10.4. The Buyer hereby agrees to indemnify, defend, and hold harmless the Seller and its officers, directors, and employees from and against any and all claims, demands, damages, costs, penalties, and fines arising in connection with any alleged breach by the Buyer or its agents of this representation and warranty. The Seller may reject, suspend, or cancel any transaction to a Blocked Person without penalty or payment for the rejected, suspended, or cancelled goods or services, and/or withdraw from or terminate the Contract, or any other agreement with the Buyer, in whole or in part, if (i) the Buyer or its agent has violated the above representation and warranty; or (ii) The Buyer has any basis for believing that the Buyer or its agent intends to violate the above representation and warranty, and the Buyer, in response to the Seller’s request, does not provide without undue delay an adequate and satisfactory assurance of its full compliance with this Article. The Buyer will pay all penalties and damages incurred as a result of its breach of the terms of this Article.

Article 11. Anti-bribery commitments

11.1. The Buyer affirms that it, and each of its owners, directors, employees and every other person acting on its behalf and acting with a power of attorney, in connection with any transactions contemplated by the Contract or in connection with any other business transactions involving USIK, give, offer, or promise any money or any other thing of value, directly or indirectly, (i) to any governmental or sub-governmental official, employee, political party, or candidate for political office; (ii) to a third party with knowledge or suspicion that the whole or part of any money or thing of value will be given, offered, or promised to any of the foregoing; or (iv) to any other person or entity, if such payment or transfer would violate the laws of the country in which made or the laws of the SR, EU or the United States of America, the intent being to influence any official or any decision-maker, to obtain or retain business or to obtain advantages of obtaining business. This Article shall not, however, prohibit the giving of business memoranda of nominal value, or provision of normal and customary business entertainment,
provided that any such business memento or entertainment is lawful in the country in which it is provided, offered for a legitimate business purposes, reasonable under the circumstances, and not provided for any improper or corrupt purpose. For the purposes of the Contract, “Government Official” means any officer or employee of (i) any local, state, provincial, or national government or any department, agency or instrumentality thereof, (ii) wholly or partially state/government-owned or state/government-controlled corporation, or (iii) public international organization, or any other person acting in an official capacity for or on behalf of any such government, department, agency, instrumentality, corporation or public international organization.

11.2. Laws implementing the Organisation for Economic Co-operation and Development Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (the “OECD Anti-bribery Convention”), including the anti-bribery laws of the SR and the U.S. Foreign Corrupt Practices Act (collectively the “applicable anti-bribery legislation”), prohibit direct and indirect bribery and attempted bribery of public officials. Both Parties are familiar with, understand, and agree to comply with the applicable anti-bribery legislation and to take no action that might be or cause a violation of the applicable anti-bribery legislation or a violation of the laws of other countries that prohibit the same type of conduct.

Article 12. Final provisions

12.1. Any and all previous agreements, or understandings of any nature whatsoever made between the Parties which relate to these GDTC shall be superseded by these GDTC.

12.2. Each Party shall immediately notify the other Party in writing regarding any changes to its business license or company register data which have a direct impact on terms and performance of the Contract, or any official commencement of liquidation, bankruptcy procedure or other similar procedure.

12.3. Amendments to the Contract shall be in writing and signed by duly authorized representatives of both Parties.

12.4. Legal relations arising out of the Contract, not treated herein, as well as all out-of-contract claims arising in connection with the Contract are fully governed by the law of the SR, without respect to its other conflict of law principles. Parties have agreed that the courts of the SR have exclusive jurisdiction over the resolution of all disputes arising out of or in connection with the Contract, including, without limitation, disputes over the validity, interpretation or termination of the Contract, and any dispute, not resolved by the agreement of the Parties, shall be submitted for decision to:
  - the District Court Kosice II, as the locally competent court of the Seller in the SR, if the Buyer has its home address or seat outside the SR, or
  - the materially and locally competent court in the SR, if the Buyer has its home address or seat in the SR.

12.5. Should any provision of these GDTC be invalid, this shall not affect the other provisions hereof.