

**SOUTH WALES STEEL LIMITED STANDARD
TERMS & CONDITIONS OF SALE**

I INTERPRETATION

- 1.1 No variation to these Conditions shall be binding unless agreed in writing between the authorised representatives of the Buyer and the Seller.
- 1.2 The Seller's employees or agents are not authorised to make any representations concerning the Goods unless confirmed by the Seller in writing. In entering into the Contract the Buyer acknowledges that it does not rely on, and waives any claim for breach of, any such representations which are not so confirmed.

2 PRICE OF THE GOODS

- 2.1 Unless expressly stated or agreed otherwise, prices do not include value added tax, other taxes, import or export duties, or other impositions of any nature whatsoever. Any taxes, import or export duties or other impositions which the Seller may be required to pay under any existing or future laws upon or in respect of the sale, purchase, storage, delivery or transportation of the Goods shall be for the account of the Buyer. The Buyer shall pay the amount of such tax, duty or imposition to the Seller together with the price.
- 2.2 All prices shall be paid in the currencies agreed upon between the Seller and the Buyer

3 PAYMENT

- 3.1 Payment will be effected without any deduction or set-off and regardless of any claim the Buyer may have against the Seller and regardless of any dispute between the parties.
- 3.2 If the Buyer fails to pay the price of the goods, when due then without prejudice to any other right or remedy available to the Seller, the Seller shall be entitled to:
- 3.2.1 cancel the Contract or suspend any further deliveries to the Buyer;
- 3.2.2 demand immediate payment of any amount unpaid under any Contract between the Seller and the Buyer;
- 3.2.3 charge the Buyer interest (both before and after any judgement) on the amount unpaid at the rate of 2% above the Libor Rate applying over the period beginning on the date payment was due and ending on the day of payment.
- 3.3 The Seller shall be entitled to charge the Buyer for all costs incidental to the collection of any sums not yet paid and the interest payable thereon.

4 DELIVERY

- 4.1 Any dates quoted for delivery of the Goods are approximate only and the Seller shall not be liable for any delay on delivery of the Goods howsoever caused. Time for delivery shall not be of the essence unless previously agreed by the Seller in writing. The Goods may be delivered by the Seller in advance of the quoted delivery date upon giving reasonable notice to the Buyer.
- 4.2 Unless agreed otherwise the goods shall be dispatched by the Seller by such means of transport and in such way as shall be deemed by the Seller to be suitable.

5 RETENTION OF TITLE

- 5.1 Notwithstanding delivery and the passing of risk in the Goods, or any other provisions of these Conditions, the property in the goods shall not pass to the Buyer until the Seller has received in cash or cleared funds payment in full of the price of the Goods and all other goods agreed to be sold by the Seller to the Buyer for which payment is then due
- 5.2 Until such time as the property in the Goods passes to the Buyer, the Buyer shall hold the Goods as the Seller's fiduciary agent and bailee, and shall keep the Goods separate from those of the Buyer and third parties and properly stored, protected and insured and identified as the Seller's property. Until that time the Buyer shall be entitled to resell or use the Goods in the ordinary course of its business, but shall account to the Seller for the proceeds of sale or otherwise of the Goods, whether tangible or intangible, including insurance proceeds and shall keep all such proceeds separate from any monies or property of the Buyer and third parties and in the case of tangible proceeds, properly stored, protected and insured.
- 5.3 Until such time as the property in the Goods passes to the Buyer (and provided the Goods are still in existence and have not been resold), the Seller shall be entitled at any time to require the Buyer to deliver up the Goods to the Seller and if the Buyer fails to do so forthwith, to enter upon any premises of the Buyer or any third party where the Goods are stored and repossess the Goods.

6 CLAIMS

- 6.1 The Buyer shall inspect the goods delivered by the Seller immediately after receipt.
- 6.2 Claims concerning the quality or quantity of the Goods delivered by the seller shall immediately, at the latest 7 days from the moment the Goods are available for inspection and in any event before such Goods are consumed or commingled by the Buyer, be lodged with the Seller by telex, telefax or by registered mail, failing which any claim in this respect shall cease to exist. Full particulars accompanied by a report made by recognised independent surveyor shall be promptly, at the latest 15 days after the date of lodging the claim with the Seller, submitted to the Seller by registered mail, failing which any claim in this respect shall cease to exist.
- 6.3 In case of a claim the Buyer shall give due opportunity to the Seller and/or a surveyor appointed by the Seller to investigate the goods in dispute. The Buyer shall forward to the Seller without delay samples of the Goods in dispute.
- 6.4 Where any valid claim in respect of any of the Goods which is based on any default in the quality or quantity of the Goods is notified to the Seller in accordance with these Conditions, the Seller and the Buyer shall agree an amount to be paid by the Seller to the Buyer in settlement of the Buyer's claim. If the Seller and the Buyer shall fail to agree, the matter shall be resolved by way of arbitration on the basis set out in Condition 10.1

7 LIABILITY

- 7.1 Except in respect of death or personal injury caused by the Seller's negligence, the Seller shall not be liable to the Buyer by reason of any representation, or any implied warranty, condition or other term, or any duty at common law, or under the express terms of the Contract, for any consequential loss or damage (whether for loss or profit or otherwise) costs, expenses or other claims for consequential compensation whatsoever (and whether caused by the negligence of the Seller, its employees or agents or otherwise) which arise out of or in connection with the supply of the Goods or their use or resale by Buyer.

8 INSOLVENCY

- 8.1 This clause applies if:-
- 8.1.1 The Buyer makes any voluntary arrangement with its creditors or becomes subject to an administration order or (being a company) goes into liquidation (otherwise than for the purposes of amalgamation or reconstruction); or
- 8.1.2 an encumbrancer takes possession, or a receiver is appointed of any of the property or assets of the Buyer; or
- 8.1.3 the Buyer ceases, or threatens to cease, to carry on business; or
- 8.1.4 the Seller reasonably believes that any of the events mentioned above is about to occur in relation to the Buyer and notifies the Buyer accordingly.
- 8.2 If this clause applies then, without prejudice to any other right of remedy available to the seller, the Seller shall be entitled to cancel the Contract or suspend any further deliveries under the Contract without any liability to the Buyer, and if the Goods have been delivered but not paid for the price shall become immediately due and payable notwithstanding any previous agreement or arrangement to the contrary.

9 FORCE MAJEURE

- 9.1 Should any circumstances arise which prevent the complete or partial fulfilment by either party of its respective obligations under the Contract, namely: fire, strikes, wars, riots, loss or destruction of the material, acts of elements, military operations of any character, blockades, embargoes, accidents, restrictions imposed by government authorities, failure of the Seller's supplier to make delivery to the Seller or any other circumstances beyond the parties control, the time stipulated for the fulfilment of the Contract shall be extended for a period equal to that during which such contingencies will remain in force. Should these circumstances remain in force for more than three months, either party shall have the right to renounce any further fulfilment of the obligations under the Contract. In this case neither party shall have the right to make demands upon eventual damage. Any party claiming force majeure shall immediately advise the other in writing of the

beginning and cessation of circumstances preventing the execution of its obligations.

10 APPLICABLE LAW & DISPUTES

- 10.1 Any disputes arising under or in connection with this Conditions or the Sale of the Goods shall be referred to arbitration by a single arbitrator in London appointed by agreement or (in default) nominated on the application of either party by the President for the time being of the London Chamber of Commerce.
- 10.2 The Contract shall be governed by and construed in accordance with English law.

11 GENERAL

- 11.1 Any notice required or permitted to be given by either party to the other under these Conditions shall be in writing addressed to that other party at its registered office or principal place of business or such other address as may at the relevant time have been notified pursuant to this provision to the party giving the notice.
- 11.2 Waiver by the Seller of any default of the Buyer hereunder shall not be deemed a waiver of any other default of the Buyer.
- 11.3 If any provision of these Conditions is held by any competent authority to be invalid or unenforceable in whole or in part of the validity of the other provisions of these Conditions and remainder of the provision in question shall not be affected thereby

12 DIVISIBILITY

- 12.1 We refer to the terms of the Agreement and any other terms and conditions that regulate or govern the supply of goods and/or services between you and us.
- 12.2 The terms of the Agreement are divisible and each delivery or supply of goods and/or services hereunder shall be deemed to arise from a separate contract and shall be invoiced separately.
- 12.3 Please note that any invoice for a delivery or supply of goods and/or services shall be payable in full and without deduction, set-off or counterclaim howsoever arising.