

GENERAL TERMS AND CONDITIONS OF SALE

1. **DEFINITIONS.** In these conditions the following definitions are used:
 “AK Steel” means AK Steel International B.V., Italy Branch, an Italian establishment with registered address at Via Cesarea 2/45, 16121 Genova (GE), and registered under number 02917510998. “Conditions” are defined as the standard terms and conditions of sale set out in this document, including any special terms and conditions explicitly agreed to in a separate written agreement between AK Steel and Buyer. “Delivery” means the delivery of the Goods at the time and to the place specified in the Order or otherwise specified by AK Steel. “Goods” mean the goods described in the Order. “Order” means the customer purchase order relating to the Goods. “Price” means the price of the Goods stated in the Order. “Buyer” means the natural or legal person submitting the Order.
2. **APPLICABILITY.** All Orders, agreements, as well as all pre-contractual relationships, between AK Steel and Buyer, both written and oral, will be governed exclusively by these Conditions, unless the parties have otherwise agreed in writing. By submitting the Order, Buyer has agreed to the Conditions. Any contrary terms and conditions imposed by Buyer will only be applicable if formally accepted by AK Steel in writing.
3. **LIMITED WARRANTIES.** There are no understandings, terms, conditions or warranties not fully expressed herein. AK Steel warrants title to and freedom from encumbrance of the Goods, and warrants that the Goods bought on the basis of the description thereof, as appears or is referred to on the face hereof, are of merchantable quality. There are no warranties, express or implied, with respect to the Goods which are misused, abused, or operated on mechanical equipment improperly designed or maintained or which are used, supplied for use or made available for use in any nuclear application of which AK Steel has not been notified in writing by Buyer at the time of the Order. AK Steel makes no other warranty whatever, express or implied. All implied warranties of fitness for any particular purposes which exceed or differ from the warranties herein expressed are disclaimed by AK Steel and excluded.
4. **LIMITATION OF BUYER’S REMEDIES.** AK Steel’s liability hereunder shall be limited to the obligation to repair or replace the Goods proven to have failed to meet the specification or to have been defective in quality or workmanship at the time of Delivery, or allow credit therefor, at its option. AK Steel’s total cumulative liability in any way arising from or pertaining to any Goods sold or required to be sold shall not in any case exceed the Price of the relevant Goods. In no event shall AK Steel have any liability for commercial loss, claims for labor, or consequential damages of any other type. It is expressly agreed that Buyer’s remedies expressed in this paragraph are Buyer’s exclusive remedies. The foregoing limitations shall not apply if the Goods have been proven to be defective and such defect results in personal injury or death.
5. **LIMITATION OF LIABILITY FOR FAILURE OR DELAY IN DELIVERY.** In no event shall AK Steel be liable for any claims for labor or for any consequential or any other damages resulting from failure or delay in Delivery. No Delivery dates are guaranteed.
6. **FORCE MAJEURE.** In any event and in addition to all other limitations stated herein, AK Steel reserves the right to defer the date of Delivery or to cancel the Order or to reduce the volume of the Goods ordered, if AK Steel is prevented from or delayed in the carrying on of business due to circumstances beyond the reasonable control of AK Steel, including, without limitation, acts of God, governmental actions, war or national emergency, acts of terrorism, protests, riot, civil commotion, fire, explosion, flood, epidemic, lock-outs, strikes or other labor disputes.
7. **PASSAGE OF TITLE AND SHIPMENT.** Title to the Goods shall pass upon delivery to the carrier at the point of shipment set forth in the applicable International Commercial Terms (Incoterms 2010) designated in the Order. Neither Buyer nor the consignee shall have the right to divert or reassign such shipment to any destination other than that specified in the bill of lading without permission of AK Steel. Unless otherwise agreed, AK Steel reserves the right to select the mode of transportation and the point of departure of the shipment.
8. **PAYMENTS.** If Buyer shall fail to comply with any provision or to make payments in accordance with the terms of the Order, AK Steel may, at its option, defer shipments or, without waiving any other rights it may have, terminate the Order. All Deliveries shall be subject to the approval of AK Steel’s credit department. AK Steel reserves the right before making any Delivery to require payment of the Price or security for payment, and if Buyer fails to comply with such requirements, AK Steel may terminate the Order.
9. **TRANSPORTATION CHARGES.** Delivery prices or prices involving competitive transportation adjustments shall be subject to appropriate adjustment to reflect changes in transportation charges.
10. **CLAIMS BY BUYER.** Claims by Buyer for non-conforming or patently defective Goods must be made within sixty (60) days of receipt of shipment, which Buyer and AK Steel agree is a reasonable time, or Buyer’s claims shall be barred. In addition, AK Steel must be given an opportunity to investigate the claim before Buyer disposes of the Goods, or else Buyer’s claim will be barred. AK Steel shall incur no liability for damage, shortages, or other cause alleged to have occurred or existed at or prior to delivery to the carrier unless Buyer shall have entered full details, thereof on its receipt to the carrier or, if damaged or lost in transit, within a maximum of ten (10) days of delivery by carrier.
11. **MECHANICAL PROPERTIES; CHEMICAL ANALYSIS.** Data referring to mechanical properties or chemical analysis are the result of tests performed on specimens obtained from specific locations of the Goods in accordance with prescribed sampling procedures; any warranty thereof is limited to the values obtained at such locations and by such procedures. There is no warranty with respect to values of the Goods at other locations.
12. **INTELLECTUAL PROPERTY.** AK Steel shall indemnify Buyer against attorney’s fees and any damages or costs awarded against Buyer in the event any legal proceeding is brought against Buyer by a third person claiming the Goods in itself constitute an infringement to its intellectual property rights, provided Buyer gives AK Steel prompt notice of any such suit, and cooperates with AK Steel with respect to any such defense; unless the Goods are made in accordance with materials, designs, or specifications required by Buyer, in which case Buyer shall similarly indemnify AK Steel.
13. **PERMISSIBLE VARIATIONS.** The Goods shall be subject to AK Steel’s standard manufacturing variations, tolerances, and classifications.
14. **TECHNICAL ADVICE.** AK Steel shall not be responsible for the results of any technical advice in connection with the design, installation or use of Goods.
15. **TAXES.** Unless otherwise expressly stated on the invoice (for example, VAT), no tax imposed in respect to the sale of the Goods is included in any quotation by AK Steel; any such tax shall be added to and paid by Buyer as part of the Price.
16. **BUYER’S RIGHT OF TERMINATION.** Buyer may terminate the Order in whole or in part upon notice in writing to AK Steel. AK Steel shall thereupon, as directed, cease work and transfer to Buyer title to all completed and partially completed Goods and to any raw materials or supplies acquired by AK Steel especially for the purpose of performing the Order and Buyer shall pay AK Steel the sum of the following: (1) the Price for all the Goods which have been completed prior to termination; (2) the cost to AK Steel of the material or work in process as shown on the books of AK Steel in accordance with the accounting practice consistently maintained by AK Steel plus a reasonable profit thereon, but in no event more than the relevant Price; (3) the cost FOB AK Steel’s plant of materials and supplies acquired especially for the purpose of performing the Order; and (4) reasonable cancellation charges, if any, paid by AK Steel on account of any commitment(s) made hereunder. The provisions of this paragraph shall be without prejudice to the rights of either party for failure on the part of the other party to comply with the provisions of these Conditions.
17. **AK STEEL’S RIGHT OF TERMINATION.** If the Order is made in compliance with any governmental rule or regulation, plan, order or other directive, upon the termination thereof AK Steel shall have the option of canceling the Order in whole or in part.
18. **WAIVER.** Failure or inability of either party to enforce any right hereunder shall not waive any right in respect to any other or future rights or occurrences.
19. **PRICES AND SURCHARGES.** The seller has the right to change the prices quoted, even after the agreement has been concluded, if the goods undergo a (foreseeable or unforeseeable) cost price increase.
20. **DELIVERY.** Unless otherwise agreed to in writing by AK Steel, Buyer hereby agrees to take Delivery of the Goods within the later of thirty (30) days after the wanted date shown on the face of the Order or within thirty (30) days after notification, oral or written, that the Goods are ready for shipment. In the event that Buyer does not arrange to take Delivery of the Goods in accordance with these Conditions, AK Steel, at AK Steel’s option, may:
 - (a) Invoice the Buyer for the Goods, less freight if applicable; store the Goods in AK Steel’s yard for a period not to exceed sixty (60) days from the date of the invoice; charge a storage fee not to exceed 5% per month or fraction thereof of the Price of the stored Goods; add any applicable price increases listed on the face of the Order; charge for any repair work to protective coatings harmed by weathering while such Goods are being stored; and charge applicable freight when shipment to Buyer is made. (2) The Goods remaining in storage after sixty (60) days from the invoice date shall become the property of AK Steel for disposition at AK Steel’s discretion. In that event, Buyer shall be liable for the Price of the relevant Goods, less freight if applicable; the storage fees; and any repair work to the protective coating; less any proceeds received when the Goods are resold; or
 - (b) Cancel the Order and invoice Buyer for cancellation charges, which shall be: (1) 25% of the Price if the Goods are standard, in-stock material; or (2) the Price, less any proceeds received when the Goods are resold, if the Goods are special or nonstandard in nature and were especially fabricated for Buyer.
21. **RETENTION OF TITLE.** AK Steel stipulates that ownership of the sold item(s) only passes to the buyer, once the buyer has paid the full purchase price. The right of property passes to the transferee at the point of consensus ad idem, and thus irrespective of payment of the agreed price.
22. **STATUTE OF LIMITATIONS.** Buyer and AK Steel agree that any action for a breach of the Conditions, including any action for a breach of warranty, must be commenced within one (1) year after the cause of action accrues.
23. **CONFIDENTIALITY OF TERMS.** The Price and terms of the Order are confidential. Buyer shall take all reasonable precautions to insure that its officers, employees and agents do not disclose Price and terms of the Order.
24. **ASSIGNMENT.** Unless agreed otherwise in writing, Buyer will not have the right to assign its rights, including any claims or future claims against AK Steel, or its obligations. AK Steel may perform any of its obligations or exercise any of its rights by itself or through an affiliated company.
25. **SEVERABILITY.** In case any provision of these Conditions shall be declared invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.
26. **APPLICABLE LAW AND JURISDICTION.** These Conditions, as well as the Order and/or any agreement or pre-contractual relationship governed by these Conditions, shall be exclusively governed by, and construed and enforced in accordance with, the laws of Italy and shall not be governed by, construed or enforced in accordance with, the United Nations Convention for the International Sale of Goods. AK Steel and Buyer specifically agree that all disputes arising out or in connection with the Order and/or any agreement or pre-contractual relationship governed by these Conditions shall be exclusively settled by the Court of Milan, Italy.