

GALLARDO SECTIONS, S.L.
General Terms of Sale

Scope of the Agreement and Whole Agreement

These terms form part of all offers and agreements on the sale of goods made by Gallardo Sections, S.L. This agreement replaces all negotiations, commitments and agreements made between the parties previously or at the same time, in writing or verbally, concerning the goods covered by this agreement.

Offers made by Gallardo Sections, S.L. shall be valid for a period of five (5) days after their date of issue, unless otherwise explicitly stated in the offer. Gallardo Sections, S.L. may withdraw an offer at any time before the Buyer places the order. The confirmation of orders by Gallardo Sections, S.L. is subject to the availability of goods at the time of delivery and orders shall only be binding upon being confirmed.

Price and Payment

The price shall be that determined by the offer. Prices do not include Value-Added Tax (VAT) or any other taxes or rates save for those explicitly stipulated (under the Incoterms in the latest version issued by the ICC, for example). If no method of payment or penalty interest is agreed,

- i. payment shall be effected in thirty (30) days from invoice date, and
- ii. interest for late payment shall be 7% per annum above the official Repo rate of the European Central Bank, or the rate of interest for late payment according to the laws of the country of domicile of the Buyer, whichever is higher.

Gallardo Sections, S.L. may demand prepayment in full or in part of the order, and a suitable financial guarantee of performance of the Buyer's obligations. The Buyer may only offset or defer payments in connexion with claims or complaints if this has been explicitly accepted by Gallardo Sections, S.L. in writing.

If the Buyer fails to make any payments that have fallen due within one (1) week after payment is demanded by Gallardo Sections, S.L., the Buyer shall be liable for (i) pre-liquidated damages equal to the cost of recovering the amount due by the Buyer plus interest for late payment at the legal rate of interest or (ii) 10% of the amount due, whichever is higher.

Specifications

The goods must meet the agreed specifications. If no specification has been agreed, the goods must meet the general specifications contained in the mill test certificate enclosed with the goods sold by Gallardo Sections, S.L. at the time of delivery. Any product information statements, manuals, webpages, price references or other information concerning the goods are binding on Gallardo Sections, S.L. only when a contract or order confirmation explicitly refers to them.

Any deviation in the dimensions, quality or weight of the goods shall be admitted within the customary standards or usual practice. The weight or quantity printed or otherwise indicated on the goods supplied shall be taken to be correct.

Delivery

The agreed time of delivery is understood to mean the date when the goods are foreseen to be made available for dispatching by Gallardo Sections, S.L. (not the date of delivery as per the Incoterms). The time of delivery shall be considered approximate, and Gallardo Sections, S.L. may change it when there are justified reasons that prevent the goods from being delivered. If no date of delivery is agreed, the goods shall be delivered according to the availability of Gallardo Sections, S.L. Gallardo Sections, S.L. may split and deliver the goods in several lots.

If delivery is delayed to the point that the Buyer cannot reasonably be requested to accept the goods, the Buyer may cancel the order by serving a written notice to that effect on Gallardo Sections, S.L., without being entitled to any compensation whatsoever. In case Gallardo Sections, S.L. has notified the Buyer of a new specific date of delivery, termination must be effected within five (5) days following such notification. The right to cancel the order may only be exercised in case the delay is more than one (1) month.

Gallardo Sections, S.L. is not liable for any actual or remote or consequential damages attributable to a delay in delivering goods.

In case the Buyer requests that delivery be delayed beyond the confirmed date of delivery, Gallardo Sections, S.L. reserves the right of charging the Buyer for the expenses incurred, including those of storing the goods.

Compliance and liability

The goods delivered must be free of defects (flaws). Goods are only considered defective if they do not meet the specifications explicitly agreed for the specific shipment, or if they do not comply with the general specifications as contained in the mill test certificate of the goods sold by Gallardo Sections, S.L. at the time of delivery. Gallardo Sections, S.L. is not liable for any function, feature or property of the goods other than those explicitly mentioned above, and all constructive terms, according to law or otherwise, concerning the quality or fitness of the goods for their purpose are hereby excluded.

The Buyer must duly notify Gallardo Sections, S.L. of any defect, shortage or anomaly in the goods supplied within seven (7) days after the goods arrive at their final destination, in accordance with the terms of delivery agreed between the parties. If the defects are not reasonably detectable at the time of arrival at their final destination, the Buyer must notify Gallardo Sections, S.L. of the defect within a term of fourteen (14) days after the Buyer becomes aware of it. A notice served more than

six (6) months after the risk of the goods is transferred to the Buyer shall have no legal effect. Once the term of six (6) months has elapsed, Gallardo Sections, S.L. is not required to offer any remedy or pay any compensation at all.

If the Buyer discovers a defect or shortage in the goods and serves the requisite notice on Gallardo Sections, S.L. in good time and in accordance with the above terms, Gallardo Sections, S.L. provided it accepts the claim, shall at its own expense and as speedily as the circumstances require may, at its own choice, either correct or repair the defects, or deliver new goods without flaws or, in the case of shortage, deliver the quantity that is missing at the agreed destination.

Instead of correcting a defect or shortage, Gallardo Sections, S.L. reserves the right of paying the Buyer for the decrease in value of the goods resulting from the flaw or shortage.

The Buyer may not claim any remedies for a defect or shortage in the goods other than those explicitly stipulated in this agreement or in a separate agreement with Gallardo Sections, S.L.

Gallardo Sections, S.L. only warrants delivery of the goods under the usual terms of delivery customary in the steel goods market, in particular steel products for structural usage. Gallardo Sections, S.L. does not warrant that the properties and specifications of the goods undergoing processing and/or finishing or lining operations are unalterable, or that these properties make them fit for other types of operations and uses.

Reservation of title

Gallardo Sections, S.L. shall retain ownership of goods delivered until the Buyer has fully paid for them. Gallardo Sections, S.L. reserves the right of recovery all unpaid goods that are in the possession or under the control of the Buyer, as well as of accessing any sites or buildings where the goods are stored, for the purpose of collecting them.

In the event that the Buyer processes or combines the unpaid goods into or with a new object, Gallardo Sections, S.L. is acknowledged title in proportion to the value of the unpaid goods in the new object until Gallardo Sections, S.L. is paid for the original goods in full.

In the event that the Buyer sells any unpaid goods or a new object, the Buyer hereby assigns a part of its rights against the third party equal to the amount due for the unpaid goods sold.

Also, in the event of non-payment of the goods, Gallardo Sections, S.L. shall freeze any and all deliveries that are pending to the Buyer, and reserves the right of taking such steps as Gallardo Sections, S.L. deems fit.

Termination

Gallardo Sections, S.L. may postpone or refuse to perform all orders outstanding and/or terminate any agreement executed with the Buyer effective immediately and without any need for a Court order, as well as demand that any liability be settled immediately, even those not yet due, without prejudice to any agreement previously executed or to any rights or offsets of which Gallardo Sections, S.L. may benefit under the Agreement or by Law, in the following cases:

- i. if an invoice fails to be paid, either in full or in part, on falling due for payment
- ii. if the Buyer fails to comply with safety recommendations made by Gallardo Sections, S.L.
- iii. if the Buyer fails to perform, adequately and in good time, some other obligation under the Agreement
- iv. given any grounds for bankruptcy or dissolution of the Buyer.

Law and Jurisdiction

This agreement shall be governed by the laws of Spain, with the exclusion of the Vienna Convention on International Sale and Purchase of Goods. Any lawsuit, dispute or claim shall be decided by the Courts and Magistrates of the place where the registered office of Gallardo Sections S.L. is situated. Alternatively, Gallardo Sections, S.L. may undertake proceedings before those of the jurisdiction of the Buyer. If there is a conflict of interpretation, the Spanish version of these general conditions shall prevail.

General limitation of liability

Except as explicitly foreseen in these General Terms or as otherwise agreed, Gallardo Sections, S.L. shall not under any circumstances, including that of product liability, be liable for any incidental, remote or derivative loss or damage including, without limitation, loss of profit, loss of output, discarded output, claims for damages for loss of profit or complaints on the part of the Buyer's customer.

Gallardo Sections, S.L. shall not be liable at all for any claims after six (6) months beyond the date of delivery, and the liability shall not exceed whichever is lower between the amount of the invoice for the defective goods in question or the sum received by Gallardo Sections, S.L. from their Insurance Company (the net amount, after any deductions).