1.Definitions

1.1.In these Terms the following expressions shall have the following meaning:
"the Company" means INOXFIL, S.A.U.
"the Customer" means the person, firm or corporation with whom the Company contracts for the sale of the Goods.
"the Goods" means the products which are to be sold by the Company and purchased by the Customer pursuant to the Contract.
"the Contract" means the contract for the sale or supply of the Goods by the Company to the Customer incorporating these Terms.
"the Terms" means this Standard Terms and Conditions ruling the sales by the Company directly or through its commercial agents. Unless otherwise agreed, the Terms shall not be applicable to those agreements which main purpose is not a sale or supply of stainless steel.

2.Scope

2.1.Any quotation or estimate given by the Company is an invitation to the Customer to place an order to be accepted by the Company and no order placed in response to or any other acceptance of a quotation or estimate shall give rise to a contract binding upon the Company. A binding contract shall come into effect upon acceptance by the Company (sales acknowledgement) and under the conditions of such acceptance.
2.2.These Terms are the only terms upon which the Company sells and shall be an integral part of the Contract, with the exclusion of any other conflicting term and condition specified or referred to in any order placed by the Customer or other Contract documents.
2.3.No variation of these Terms shall have effect unless it is agreed to by the Company in a written document signed by a person authorized to do so.
2.4.In addition to these Terms, the Company may from time to time specify internal technical specifications and terms of trading regarding such matters as, without limitation, transport, minimum order sizes and packaging. Details of such specifications and terms of trading are available upon request to the Company and are hereby incorporated into these Terms.

3.Prices

3.1.Unless otherwise agreed in the Contract or established by the applicable Law, all prices are exclusive of any expense, tax or duty imposed by any competent authority upon the sale or transport or delivery of the Goods. Any such expense, tax or duty shall be added to the price and paid by the Customer.
3.2.Prices stated in quotations, estimates, or other documents issued by the Company prior to sales acknowledgement are not binding upon the Company. The price shall be that agreed in the Contract.
3.3.The Company may only increase the price agreed before payment date in the event of:
a) Variation in the international prices of the constituent elements of the Goods and/or rate of exchange; or
b) there being any applicable incidental expenses arising in relation to the Goods or their delivery,
and the Customer shall pay any price increases arising therefrom.

4.Payment and Securities

4.1.Full payment for the Goods shall be made within the time period and in the manner specified in the Contract. The Customer shall bear all the expenses arising out of the payment system agreed. If there are different overdue invoices with similar conditions, the amounts received shall be applied in order of due date starting from the oldest including the interests and expenses derived from each invoice. If a documentary credit is issued, it shall be governed by the ICC Uniform Customs and Practice for Documentary Credits in effect and shall be previously accepted by the Company. Unless otherwise agreed, payment shall be made before delivery of the Goods. Should non-cash payment be agreed, payment shall not be deemed to have been effected before the Company's Bank account previously agreed has been fully and irrevocably credited. Partial payments are not allowed. The payment method should not be in breach of the applicable money laundering legislation.
4.2.If the Customer,
a) fails to comply with its payment or other obligations under the Contract or any other contract with the Acerinox Group; or
b) is under liquidation or any kind of insolvency;
the Company is entitled to compel performance of or to cancel the Contract with a right to claim damages in both cases.
4.3.If the Company has reasonable grounds to believe that the Customer will not be able to perform its payment or other obligations under the Contract or any other contract with the Acerinox Group, the Company may at any time suspend performance of its obligations under the Contract, unless the Customer immediately pays the entire purchase price under the Contract and all outstanding payments under any other contract with the Acerinox Group, or furnishes the Company with a Bank guarantee or other security for the same amount acceptable to the Company. The Company shall immediately give the Customer notice of any such suspension and state therein a reasonable final time limit for the Customer to make payments/furnish security. If the Customer fails to make such arrangements within the final time, the Company will have the same rights as under Term **4.2** above.
4.4.If under Terms **4.2** or **4.3** above, the Company has already dispatched the Goods, it may prevent the handing over of them to the Customer even if the latter holds a document which entitles it to obtain them.
4.5.If the Company cancels the Contract under Terms **4.2** or **4.3** above, the Customer's authority to sell Goods title to which is vested in the Company according to Term **7** shall cease and then the Company may forbid the sale and process of the Goods and request the Customer to return them or to forward them to any other destination. Notwithstanding any such suspension or cancellation, the Customer shall pay the Company in accordance with the Contract for all Goods dispatched by the Company before suspension or cancellation.
4.6.All amounts owed by the Customer in payment for the Goods which are not paid on or before their due date shall accrue annual interest until actual payment at the maximum authorized interest rate established by the applicable legislation on late payment in commercial transactions. In addition the Customer shall also indemnify the Company for any loss, liability or expense arising out of the Customer's lack of payment.
4.7.The Customer shall not be entitled to set off against sums due to the Company under the Contract any amount claimed by the Customer from the Company whether under the Contract or some other contract between them or on any other account provided that the Customer shall be entitled to set off against sums due to the Company valid credit notes issued to the Customer by the Company.
4.8.All deliveries shall be subject to the Company's commercial risks policy which inter alia requests all sales with deferred payment to be fully covered at all times by a credit insurance or any other form of guarantee previously accepted by the Company.

5.Delivery

5.1.Delivery of the Goods shall be made at the place specified in the Contract or as subsequently agreed with the transport and route to be decided by the Company. If no place for delivery is specified or agreed, delivery shall take place at the Company's works immediately prior to loading for dispatch to the Customer (EX WORKS). Any agreed trade term shall be construed in accordance with the edition of INCOTERMS stated in the Contract.
5.2.Unless otherwise stated, Goods which are stated to be available "ex stock" (or an equivalent term) are subject to availability.
5.3.The Company shall be entitled to make delivery of the Goods by instalments and to invoice the Customer for each instalment dispatched.
5.4.Dates or periods for dispatch or delivery of the Goods are approximate and shall not be binding nor be considered as an essential term. Given the complexity of the production process of the Goods, if having used its reasonable endeavors to comply with any date or dates specified in each contract for the dispatch or delivery of the goods to the Customer the Company is unable to do so, such failure shall not constitute a breach of contract by the Company entitling the Customer to cancel the Contract and/or to claim any damages whatsoever against the Company but the Company shall be entitled to a reasonable extension of time in which to effect dispatch or delivery.
5.5.If delivery cannot take place at the agreed delivery time due to circumstances attributable to the Customer, it shall make payments as if delivery had actually taken place. In addition to a right to resell the Goods which have not been received by the Customer according to the Contract and any other right thereunder, the Company may at the Customer's risk and expense, arrange for storage of the Goods, and at the request of the Customer, also arrange for the insurance of the Goods, but only if and to the extent that the Customer makes an advance payment covering the reasonable costs for storage and insurance.

6.Passing of Risk

6.1.Passing of risk of damage or loss shall take place in accordance with the INCOTERM specified in the Contract and if there is no provision in such respect in accordance with the INCOTERM EX WORKS.
6.2.For sales in Spain, passing of Risk shall take place:
a) If the Contract involves carriage of the Goods, when the Goods are handed over to the first carrier;
b) otherwise when the Goods are placed at its disposal.

7.Title to the Goods

7.1.Notwithstanding their delivery and the passing of the risk therein to the Customer, title to and property in the Goods shall remain vested in the Company until:
a) the price of the Goods; and
b) all other money due for payment by the Customer to the Company on any other account or pursuant to any other contract,
has been paid, discharged or satisfied in full.
7.2.Until title to and property in the Goods pass on to the Customer the following provisions shall apply:
a) the Company may at any time without prior notice to the Customer require the Customer to deliver up to the Company the Goods and may repossess and resell the Goods if any of the events specified in Term **4.2** or **4.3** occurs;
b) the Customer shall store the Goods in a proper manner in conditions which adequately protect and preserve them without charge to the Company and shall not tamper with any Company identification upon the Goods or their packaging but shall ensure that they are clearly identified as belonging to the Company. If the Goods are processed or in any way combined and/or mixed with other products then the Company will have a security interest on the final product for an amount equal to the value of the Goods;
c) the Customer shall at the request of the Company assist it in taking any measures necessary to protect the Company's title to the Goods.
7.3.The rights and remedies conferred upon the Company by this Term are in addition to and shall not in any way prejudice, limit or restrict any other rights or remedies of the Company under the Contract.

8.Quantity and Quality. Warranty.

8.1.The Company shall deliver goods which are of the quantity, quality and description required by the Contract and which are contained or packaged in the manner required by the Contract or in the absence of any specific mention, in the manner normally done by the Company. Notwithstanding the foregoing, the Goods shall be subject to the Company's standard manufacturing variation, tolerances and classifications.
8.2.Valid weights are those indicated by the Company, provided that the Company has used a weighing-machine officially certified under the appropriate rules of the country where the Goods are produced or shipped. At the Customer's written request, the Company shall provide the Customer with a receipt of weight. Unless otherwise specifically agreed in the Contract, the tolerances in quantity for each size and total quantity shall be +/- 10% of the total quantity ordered.
8.3.The Company warrants that the Goods are:
a) Of merchantable quality; and
b) Free from any right or claim from a third party;
8.4.The Company makes no other warranties which exceeds or differs from the warranties herein expressed. All other warranties are disclaimed by the Company and excluded from the Contract. Particularly, the Company does not warrant that the Goods:
a) are suitable for any declared or undeclared specific purpose of the Customer;
b) are in conformity with samples of the Goods presented by the Company, which are to be regarded as type samples only;
c) are free from defects where such defects result from materials, specifications or information provided by the Customer or any of its appointed representatives;
d) are suitable if they are not adequately handled or stored; or if they are misused, abused or operated on mechanical equipment improperly designed or maintained; or
e) are suitable if they are used, supplied for use or made available for use in any nuclear application.
8.5.The Customer shall inspect the Goods immediately upon their arrival at the destination to which they are dispatched pursuant to the Contract for the purpose of ascertaining;
a) whether the Goods have been damaged in transit; and
b) that the Goods are of the quality, quantity and weight specified in the Company's sales acknowledgement and the Company's delivery note.
8.6.Any damage to the Goods in transit must be stated by the Customer in the receipt to the carrier.
8.7.If a defect is found, the Goods shall not be processed and the Customer within its duty to mitigate shall store them available for examination by the Company. Otherwise the Customer will lose its right to claim the defect.
8.8.Notices of defects shall be made in writing to the Company immediately after the Customer discovered or should have discovered the defect and in any event within the three (3) months following delivery. The notice shall contain a statement of the grounds for the claim and a description of the defect. Notices of defects do not give a right to the Customer to suspend or delay the fulfilment of its duties.
8.9.Upon receipt of the notice under Term **8.8** and should the Company accept the claim, it shall at its option:
a) Repair or make good such defect; or
b) In relation to such defective Goods re-supply goods which are in all respects in accordance with the Contract; or
c) Reduce their price to compensate the Customer for the defect; or
d) Cancel the sale and return of the result of their respective obligations,
subject in any case to the remaining provisions of these Terms. The Company shall thereby defray the necessary cost of transportation of the Goods or substitute goods, but not any expenditure incurred for dismantling, installation, processing and other similar measures.
8.10.Notwithstanding the above, the Company is entitled to use reasonable time to investigate the claim and to request from the Customer the evidence which it considers necessary. If the Customer has given notice of a defect but no defect is found for which the Company is liable, the Company shall be entitled to compensation for the cost it has incurred as a result of the notice.
8.11.The Customer is not entitled to any remedy other than that specified above in this Term **8**, which absorbs and is included within the limits of Term **9** hereunder.

9. Limitation of Liability and expiry of rights

9.1. The Company shall not be liable to the Customer for any direct loss or damage in excess of the value of the defective or delayed Goods (excluding taxes, customs duties, insurance premiums and other charges beside the Goods themselves) which the Customer may suffer by reason of any act, omission, neglect or default (including negligence) in relation to the Goods and/or the performance of the Contract by the Company its employees or agents and/or the Goods themselves.
9.2.The Company shall not be liable to the Customer for any indirect or consequential damage or loss (including economic or pure financial loss and production halt) of any kind whatsoever, which the Customer or any other third party may suffer by reason of any act, omission, neglect or default (including negligence) in relation to the Goods and/or the performance of the Contract by the Company its employees or agents and/or the Goods themselves.
9.3.Any technical advice given by the Company, its employees or agents in connection with the Good is provided in good faith but no representation, condition or warranty, express or implied, is given by the Company as to the accuracy or completeness of such technical advice. Such Technical advice does not release the Customer from testing the Goods in order to determine their suitability for its intended use.
9.4.This Term shall not limit the responsibility of the Company towards end users (the Customer not being one) under the liability for defective products of the EU legislation (Council Directive 85/374/EEC, as amended) and/or the incorporation of that legislation into the Law applicable to this Contract, exclusively in cases where such legislation/applicable law does not authorize the limitation of such responsibility by agreement of the parties. Otherwise the limitations herein agreed shall be valid.
9.5.Except for the right to claim payment of the price of the Goods any other right or cause of action arising out of the Contract shall expire after a year of their accrual.

10.Force Majeure

10.1.If the Company is directly or indirectly delayed or hindered in or prevented from performing the Contract or any part thereof by circumstances beyond its control then the Company may suspend further performance of the Contract for so long as it is so delayed or prevented or hindered and such suspension shall not constitute a breach of the Contract on the part of the Company.
10.2.Said circumstances may result without limitation from the following events:
a) war, whether declared or not, civil war, riots and revolutions, acts of piracy, acts of sabotage;
b) natural disasters such as violent storms, cyclones, earthquakes, tidal waves, floods, destruction by lightning;
c) explosions, fires, destruction of machines, of factories, and of any kind of installations;
d) boycotts, strikes and lock-outs of all kinds, go-slows, occupation of factories and premises, and work stoppages;
e) acts of authority, whether lawful or unlawful, apart from acts for which the Company has assumed the risk by virtue of other provisions of the Contract;
f) shortage of labour, energy or raw materials;
g) restrictions on communications or transports;
h) defects or delays in deliveries by sub-contractors.
10.3. If performance of the Contract is suspended under this Term, the Company shall notify the Customer in writing of any such suspension of performance of the Contract and if such suspension continues for more than five (5) consecutive weeks either the Company or the Customer may by notice in writing to the other terminate the Contract but without prejudice to the Company's right to be paid in accordance with the Contract for any part of the Goods which may have been dispatched to the Customer prior to the suspension of performance by the Company and to be reimbursed of all other costs, charges and expenses incurred by the Company pursuant to the Contract up to the date of such notice of termination.

11.Assignment

11.1.The Customer shall not cede, assign, charge, sub-let or otherwise transfer the Contract or any part of it without the prior written approval of the Company.

12.Waiver

12.1.The rights and remedies of the Company in respect of the Contract or in respect of any failure by the Customer to observe or comply with the terms thereof shall not be diminished waived or extinguished by the granting of any indulgence, forbearance or extension of the time by the Company nor by any failure of or delay by the Company in asserting or exercising any such rights or remedies.

13.Severance

13.1.If at any time any one or more of these Terms (or any paragraph, sub-paragraph or any part thereof) is held to be or becomes void or otherwise unenforceable for any reason under any applicable law, the same shall be deemed omitted here from and the validity and/or enforceability of the remaining provisions of these Terms shall not in any way be effected or impaired thereby.

14.Notices

14.1.Any notice authorized or required to be given pursuant to these Terms shall be given in written form and sent by any means leaving trace of its date, content and receipt by the addressee to the persons and places indicated in the Contract or previously advised by the parties. Notices shall be given in the language of the Contract.

15.Legal Compliance

15.1.The Company may suspend performance or terminate this Agreement in compliance of the applicable regulation on commercial restrictions on exports and imports and economic sanctions. The Customer hereby declares that the Goods will not be resold before or after its processing (including re-export) to restricted countries or individuals nor used in forbidden applications according to the applicable legislation.
15.2.The parties and their employees and representatives will duly fulfill the obligations herein and observe and respect the applicable legislation and specially that on money laundering and anticorruption. The parties will also observe and respect the principles of the UN Global Compact Initiative. The said principles essentially concern the protection of human rights, minimum employment conditions, environmental responsibility and the prevention of corruption. Further information can be obtained at www.unglobalcompact.org with regard to the Global Compact Initiative.

16.Law and Jurisdiction

16.1.The Contract shall be governed by and construed in all respects in accordance with Spanish Law and the Customer hereby submits to the exclusive jurisdiction of the Courts of Madrid. The United Nations Convention on Contracts for the International Sale of Goods shall not apply.
16.2. Notwithstanding the foregoing the Company reserves the right to proceed in the Courts of the Customer's country in order to demand any outstanding amount. In such case the applicable Law shall be that of the place where the claim is filed.