

CONTRACT №
SAP №

Kryvyi Rih

_____ 20__

Public Joint Stock Company «ArcelorMittal Kryvyi Rih», hereinafter referred to as the **BUYER** represented by _____, acting on the basis of _____, of the one part, and _____, hereinafter referred to as the **SELLER**, represented by _____, acting on the basis of _____, of the other part, collectively called "The Parties" in the text of the Contract, have entered into this Contract regarding the following:

1. Subject of the Contract

The Seller shall deliver the Products to the Buyer and transfer them into his ownership in accordance with the Specification(s) agreed to the Contract, and the Buyer shall accept the Products and pay for them in accordance with the requirements of this Contract.

1. Products' price and total cost of the Contract

1.1. Total cost of the Products under Contract shall be determined by summarizing the costs of all lots with the Products approved as per all Specifications made up to the Contract.

1.2. The price of the Products for supplying to the Buyer is agreed and determined for each position in Specification(s) that is (are) an integral part of this Contract.

3. Terms and conditions of delivery

3.1. The delivery is made by the Seller according to the International Rules of terms and definitions' interpretation INCOTERMS, 2000 version, and agreed in the relevant Specification(s).

3.2. The Seller shall make delivery of the Products within the terms stated in the relevant Specification(s) only after the written Purchase order has been placed by the Buyer. The date of submission of the Purchase order is considered to be the date of the Purchase order's sending to the email of _____ or by fax to the following number _____. The Purchase Order shall contain the list of Products (assortment) and the scopes of the products' delivery, be in strict conformity to the range of Products and not to exceed the scopes stated in the Specification(s).

3.3. The date of delivery and risks' transfer is considered as the date of transferring the Products from the Seller to the Buyer (Carrier) according to the conditions of delivery, agreed in the relevant Specification(s), pointed in the waybill (expenditure, CMR, railway, courier service). While Products delivery at CPT basis the date of delivery and risks' transfer is considered as the date of transferring the Products from the Seller to the Buyer stated in the waybill (expenditure, CMR, railway, courier service).

3.4. The delivery is considered to be completed by the Seller in case of strict conformity of delivered Products to the Buyer's written order in respect of the terms, range of the Products and scopes upon submission by the Seller of all shipping documents under paragraph 3.6.

3.5. The Seller shall notify the Buyer about the readiness for the delivery of Products by phone or fax _____ or by email _____ at the latest 72 hours before the date of delivery. The notice shall contain the description and quantity of the Products as well as the estimated date of delivery.

3.6. At the time of the Products' arrival to the Buyer's warehouse the Seller shall provide to the Buyer the following set of documents:

- invoice;
- waybill (expenditure, CMR, railway, courier service) with indicated SAP/R3-number of the Contract and of the purchase order;
- tax declaration created according to the requirements of active legislation;
- **(choose the required option)** original or copy of document which proves the quality of the Product (quality certificate and/or compliance certificate issued for the unit or party of the Product which is supplied under this Contract, and/ or the data sheet and/ or the user's manual and the warranty certificate, upon its availability).

Seller shall provide to Buyer tax declaration, created in electronic format and complying with requirements of authorized Seller's person electronic digital signature registration in established by law order, registered in Unitary register of tax declarations, within 15 (fifteen) calendar days from the moment of origin of the right of appropriation of value-added tax sums to tax credit.

In case of payment delay due to not providing of tax declaration by Seller or in case of Seller's violation of order of completion and registration of tax declaration in Unitary register of tax declarations, Buyer is exempt from liability for delayed payment.

Invoice shall include legal Contract number, SAP Specification number, SAP purchase order number, SAP Seller reference number.

Seller shall send the original of invoice to Buyer's Shared Service Controlling Center to the following address:

PJSC "ArcelorMittal Kryvyi Rih"

50095, Ukraine, Dnipropetrovsk region, Kryviy Rih, Ordzhonikidze street 1

Receiver: Shared Service Controlling Center AMKR, Manager of Department

All other documents are sent by the Seller together with Products.

In case any of the required for payment information is missing in the invoice, Buyer has the right to return the invoice to the Seller for correction or re-issuing. The date of receiving properly executed invoice including all Buyers' requirements pointed in this clause will be considered as the date of invoice receiving. In case of delay in payments due to improperly executed invoice Buyer is released from responsibility for any delay in payment.

In case of questions on payment documents preparation Seller shall contact via e-mail: AMKRAccount.Payables@mittalco.com or by phone +38-056-499-70-88.

3.7. GCP – GENERAL CONDITIONS FOR PURCHASES shall be an inseparable part of the contract. GCP shall be applied in the part that does not contradict to the current legislation of Ukraine and to the terms of this contract.

The Seller declares and confirms that he is fully cognizant in contents of GENERAL CONDITIONS FOR PURCHASES of ArcelorMittal group placed on official public site of the Buyer at: <http://corporate.arcelormittal.com/who-we-are/supply-chain/global-procurement>

4. Payment

4.1. The date of payment shall be the date of debiting cash assets from the Buyer's account to the Seller's account. The Buyer effects payment for the products in national currency of Ukraine by the Seller's banking details indicated in the Contract as follows (**choose the required option**):

4.1.1. Payment for the Products is effected from the date of delivery to Buyer's warehouse within the period agreed in Specifications (A0__).

4.1.2. Payment for the Products equal to 100% of total amount of the Products agreed in relevant Specifications is effected in the form of documentary, revocable (irrevocable), not covered, divisible (indivisible) Letter of Credit (AK00).

The Letter of Credit is opened within 10 days from the moment of Seller's submittal of invoice/ letter to the Buyer. The term of L/C validity _____ calendar days. The executive bank is the Buyer's bank.

Letter of Credit to be opened shall conform to Uniform Customs and Practice for Documentary Credits, 2007, Publication No. 600 of the International Chamber of Commerce and the instructions for non-cash payments in the national currency in Ukraine (Regulation No. 22 dated 21.01.2004 of the National Bank of Ukraine, as amended and supplemented)

The payment shall be effected from the Buyer's account:

PJSC "Citibank",

Address: 16-G, Dymytrov Str., the City of Kyiv,

03150, Ukraine, MFO 300584,

EDRPOU 21685485 SWIFT code: CITIUAUK

Current account current in UAH: 26008200354222

Or

PJSC "ING Bank Ukraina"

Address: 30-A, Spas'ka St., city of Kyiv,

04070, Ukraine, MFO 300539,

EDRPOU 21684818 SWIFT code: INGBUAUK

Current account in UAH: 26003003100800

Beneficiary: _____

Payment under L/C shall be made upon submission of the following documents and according to the L/C terms:

- Invoice – copy;
- Acceptance report for the Products in terms of quantity and quality signed and sealed by the Parties – the original copy;
- Tax declarations - copy;
- Ticket confirming registration of tax declaration in Unitary register of tax declarations - copy.

All banking expenses shall be paid as follows:

- a) The Seller's bank charges shall be borne by the Seller;
- b) The Buyer's bank charges shall be borne by the Buyer;
- c) The charges for amendments to the Letter of Credit shall be borne by the initiator of such alterations.
- d) The banking commission for submission of the documents with discrepancies shall be borne by the Seller.

In case of prolongation of the open L/C validity term on the Seller's initiative, the Seller shall pay to the Buyer the penalty at the rate of 0.1% charged on the full amount of the Products, which were short-delivered as of the original date of the L/C expiration up to the moment of performing its obligations.

In case of non-performance of L/C (partial or full) on Seller's fault, Seller shall compensate to Buyer all expenses connected to opening and servicing of L/C during its lifetime.

Allowed to perform payment of the delivered Products from the date of delivery to Buyer's warehouse with a delay in payment within ___ calendar days (A0___).

4.1.3. Payment of the Products is effected in national Ukrainian currency on conditions of pre-payment in the amount of 100% from total amount of Products value stated in relevant Specification (P100), by banking details of a Seller indicated in the Contract. At that, if the Seller breaches any of its obligations, regardless of consequences of the breach, the latter shall return pre-payment amount in full with 12% annual interest within three days from the moment of such a breach.

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5. Quality and quantity of the Products

5.1. Quality, integration, package and marking of the Products shall meet the state standards of the manufacturing country / the manufacturing company / other requirements (regulations) stipulated in Specification(s) and/or Buyer's technical requirements set in Specification(s) for this kind of Product and is to be confirmed by the correspondent quality document.

In case, making of products concordantly to the normative documents of enterprise-producer, Seller is under an obligation to give this document not later what at 72 hours to the date of delivery.

5.2. For the Products that need obligatory package – the Products shall be shipped in package which fits to the shipping goods and kind of transport. Packing shall protect the Products from any kind of damage and corrosion during transportation and long-term storage considering the possibility of transshipment.

5.3. For the Products that need obligatory package and marking – each shipped place shall be marked in Russian or Ukrainian with the following information:

- name of the Buyer;
- number of the Contract;
- name of the Seller and/or manufacturer;

- lot number;
- net/gross weight;
- all needed markings according to the specific character of the Products (center of gravity, do not cannot etc.);
- number of a package is indicated by a fractional number, in which the numerator indicates an ordinal number of the package, and the denominator – the total number of packages.
- or other information provided by standard documentation for this type of product.

Packages with gross weight over 500 kg. or with height over one meter, shall be marked with sign “+” and letters “C. O. G.”- Center of Gravity. Points of strapping will be marked as well (if necessary).

5.4. The Seller shall be responsible for all the damages of the Products in case of improper or non-sufficient packing and/or marking, in case of violation the transportation rules (while delivering by Seller's or carrier's transport by the Seller's agreement) by way of replacing the damaged Products or their parts with new ones, and also shall bear all the expenses associated with this replacement. The Seller shall guarantee high technical parameters and quality of manufacturing.

6. Guarantees and conditions of Products' transfer

6.1. In case of the Products' receipt not meeting the requirements indicated in the Contract (poor quality, non-complete assortment, unordered, used and so on) or in case of non-conformity of the actually delivered Products to the quantity in the documents, the Buyer shall accept them for the safekeeping and immediately inform the Seller to dispose of Products.

6.2. The Products shall be accepted from the Seller:

- in terms of quantity – according to the shipping documents;
- in terms of quality – according to a document certifying the Products' quality.

6.3. The quality and quantity acceptance is made according to the provisions of Instruction П-6 and П-7 (Instruction about the order of acceptance of technical and industrial goods and consumer goods in terms of quality, approved by Resolution of State Arbitration at Council of Ministers of USSR dd. 15.06.1965, No. П-6, and also instruction about the order of acceptance of technical and industrial goods and consumer goods in terms of quality, approved by Resolution of State Arbitration at Council of Ministers of USSR dated 15.06.1965, No. П-7). The delivered Products shall be subject to incoming control with further statistic analysis and evaluation on the part of the Seller. In case of finding any non-conformity of the Products to the conditions of this Contract the summons of the Seller's representative is made in obligatory way. The Buyer is obliged to accept such products for safekeeping and to ask the Seller to participate in common acceptance in written form by sending an email to the following address _____ or by fax No. _____. Latest on the next working day after the receiving of the above-mentioned email from the Buyer the Seller is to inform the Buyer in written form about his

representative to be sent or not to participate in acceptance of the products to the following email @arcelormittal.com or by fax No. _____. Receiving information from the seller about the non-arrival of his representative, the absence of a reply to the email during the next working day after the notification of the Seller, the representative's non-arrival till the 3th calendar day after the day of notification or the arrival of an unauthorized representative of the seller or the non-achievement of consensus by the parties regarding the products' non-compliance with the set contractual requirements, gives the Buyer a right to accept the products as per the quality and/or quantity with the participation of the expert from the Chamber of Commerce and Industry of Ukraine or any other independent agency, properly certified on the territory of Ukraine, at the Buyer's choice.

6.4. The Seller guarantees high technical parameters and quality of the manufacturing, full conformity to the technical description and complicity, pointed in the Contract.

6.5. The guarantee term for the Products (for the equipment, spare parts) is ___ months from the date of the Products' commissioning and not more than ___ months from date of the delivery date whatever is the earliest.

6.6. If during the acceptance of the Products or during the warranty period any hidden defects (poor quality, unordered, in damaged packing, used and so on) in the Products and/or the full/partial not full quantity of the Products and/or the nonconformity of technical documentation are revealed the Seller will be obliged as soon as possible but not longer than within ____ days from the date of the official corresponding notification and at his own expense as per Customer decision either to remove all revealed defects by way of repair or replace the defect Products (or part thereof) by the quality Products. In case Parties didn't find agreement on reasons and/or occurrence of warranty period and/or fact of defect Products delivery, Buyer invites independent accordingly certified at the territory of Ukraine inspection organisation ____ (further - Expert organisation) for taking final decision on found defect which shall become obligatory for performance by both Parties. In case results of Expert organisation check show fact of defect Products delivery and/or fact of warranty case, Seller shall compensate value paid by Buyer to Expert organization for provided services of Products check within 20 calendar days after appropriate notification is sent by Buyer.

6.7. For nonconforming execution of requirements of Paragraph 6.6 the Seller shall pay penalty amounting to 0.3% from the cost of the poor quality (non-complete) Products for each day of delay. The penalty shall be charged from the ____ day from the date of receipt by the Seller a corresponding notification from the Buyer about the identified defects and shall be stopped on the date of signing by the Parties an act about defect removal or delivery of the new Products in exchange of the defect ones.

6.8. The replaced defect Products and/or part thereof and/or technical documentation shall be returned to the Seller at his request and at his expense within the period agreed upon by the parties additional. The Seller shall cover all transport and other expenses related to the replacement or return of the Products. The replaced Products shall be accepted by quality and quantity in accordance with paragraph 6.3 of this Contract. The above period of warranty related to the replaced Products shall commence from the delivery/commissioning date thereof.

7. Penalties

7.1. In case of delay in the delivery of the Products as per the terms mentioned in the Contract the Seller shall pay the penalty in the amount of 0.3% from the amount of the Products non-delivered on time for each day of the delay. The penalties shall be charged from the first day of the delay and stopped at the date of the delivery of the Products.

7.2. In case of the Seller's delay in the delivery of the Products partly or in full scope over one calendar month and in case of absence of the mutual agreement about the changes in terms of delivery, the Buyer has the right to refuse to accept and to pay for such Products and to acquire from any another Seller the delayed Products in the quantity and according to the itemized list and to charge to the Seller the damages specified by the Parties in amount of 10% from the value of the Products. The losses by this Paragraph are paid over the penalty specified in Paragraph 7.1 of the Contract.

7.3. In case of delay in the provision of the set of shipping documents specified in Paragraph 3.6 of the Contract the Seller shall pay the penalty in the amount of 0.1% from the value of the Products delivered without shipping documents for each day of the delay. The penalties shall be charged from the first day of the delay and stopped at the date of the provision of the full set of shipping documents by the Seller.

7.4. In case of delivery of the defective, non-complete, non-ordered Products or Products in damaged used packing the Seller shall pay to the Buyer the penalty in the amount of 10% from the value of such Products. If Seller eliminates above-mentioned defects within term stipulated by the Contract, this penalty will not be applied.

7.5. In case of delivery of defective, non-complete, non-ordered Products or Products in damaged used packing the Seller has the right to refuse to accept and to pay for such Products. Herewith the Seller shall not be free to pay the penalties specified in Paragraph 7.4 of the Contract.

7.6. (Include this clause in case in the process of contract performance a presence of workers of Seller or outside organizations, involved for contract performance, is expected at the enterprise territory)

The Seller is held responsible for the adherence of his employees as well as the employees of the companies involved in contract performance at the enterprise territory by the Seller to the "Internal labour regulations" at the enterprise territory:

- If the Seller's employees are detained at the enterprise territory under the influence of alcohol as well as for other violations of active at the enterprise "Internal labour regulations" by the enterprise employees of Security department or other contractors implementing the security of the enterprise facilities on the basis of agreements concluded with them, the Seller shall (based on the prepared act on detention) pay penalty in the amount established in line with Appendix № 1 to this Contract «Classification of Violations of Internal labour regulations at the enterprise territory and amount of penalties for these violations». In case of any damage incurred to the enterprise by the Seller's employees, payment of penalty does not exempt the Seller from the compensation of the damage.

- Settlements are made by way of issuing the invoice for the above amount which is due to be paid by Seller within 30 days from the moment of issuing the invoice.

7.7. Amounts with Value Added Tax are accrued while estimating the penalties amounts.

7.8. Payment of penalties mentioned in this Contract may be done by the Seller on a voluntary basis and/or by the Buyer's reduction of the amounts to be paid by the amount of the correspondent sanctions and/or by entering the claims. The payment of the penalties shall not release the Parties having paid for them to fulfill of to finish the fulfillment of the obligations under this Contract.

8. Force-majeure

8.1. The Parties shall be relieved from responsibility for partial or full non-fulfilment of the obligations, stipulated by the present Contract, if such non-fulfilment is a result of force majeure circumstances not depended from the Parties' will (earthquake, fire etc).

8.2. In case of starting the above force majeure circumstances the Party shall notify the other Party without any postponement but not later than in 15 days from the date of starting or, correspondently, stopping of force-majeure circumstances in any way with adding the needed proof. The document given by the Chamber of Commerce and Industry or by other authorized body of the country, in which the exist of those circumstances is certified, can become the needed proof.

The official confirmation of force majeure circumstances, issued by the local Chamber of Commerce and Industry is to be issued during 5 days after the starting of force majeure

circumstances and also during 5 days after their finish. The unnotification of one Party by another Party in the abovementioned term denies the Party a right to refer to the force majeure circumstances in future.

9. Settlement of disputes

9.1. Any disputes and arguments that may arise while the Contract executing shall be settled as per the procedure established by the law.

10. Other conditions

10.1. The Contract is made up in Ukrainian and English in two copies. Both texts and copies have equal legal force. In case of any discrepancy of the texts the Ukrainian text shall prevail.

10.2. All changes and annexes to the Contract shall be an integral part of it and shall be considered as valid if they are in written form, signed by the authorized representatives of both Parties and certified by the official representatives of the Parties and certified by the seals of the Parties. Any changes in the items of Specifications in the Contract shall be agreed in advance by the Parties and documented as supplement to the Contract as well as signed by the Parties. All additional agreements, specifications, addendums etc to this Contract are allowed to be concluded by Parties in Ukrainian language, addendums containing technical requirements about subject of the contracts - in Russian.

10.3. The transfer of the rights and obligations under this Contract to the third parties fully or partially shall be allowed only by written consent of the Parties.

10.4. The Contract is effective from __.__.20__ and is valid up to __.__.20__ or until the Parties duly execute their contractual obligations whatever is the earliest.

10.5. All previous negotiations and correspondence shall expire after signing this Contract.

10.6. A Buyer have the certificated Quality Management System in accordance with IS ISO 9001, the Ecological Management System pursuant to requirements of IS ISO 14001, Health&Safety System according to the requirements of OHSAS 18001.

The Seller is obliged to meet the requirements of above mentioned management systems set in Buyer's regulatories on its request and after providing the appropriate documents.

10.7. In case when Seller has Quality Management System (in accordance with IS ISO 9001 or appropriate national standard) on Buyer's request the shall provide evidences of its effective operation (quality regulation, processes list and developed procedures, compliance certificate). The Buyer is entitled to check the operation of Seller's Quality Management System in accordance with requirements of ISO 9001 and ISO 19011.

In case when Seller doesn't have implemented Quality Management System Buyer is entitled to perform in Seller audits on compliance of Products and conditions that guarantee compliance of Products with stated requirements.

10.8. The Contract can be terminated by Buyer's sole discretion with a written notification to the Seller in one month before its termination.

10.9. In case of refusal from the Products the Buyer shall compensate all the Seller's actually proved losses for the moment of notifying about the refuse connected with the performing of the Contract.

10.10. Each Party must comply, and must ensure that its directors, officers, employees, contractors, sub-contractors, suppliers and agents comply, with all applicable laws, including those concerning corruption, money-laundering, the payment of bribes, tax evasion, economic sanctions, and health and safety and must not undertake or cause to be undertaken any activity that is illegal or unlawful.

10.11. The Seller commits itself to reduce the risk of disclosure of any confidential information of ArcelorMittal to the third party.

10.12. According to the Law of Ukraine "On Personal Data Protection" Seller provides his agreement for processing, including transfer, of his personal data to PJSC "ArcelorMittal Kryviy Rih" for performance of its economic activity. In addition, Seller confirms that he is acquainted with his rights prescribed by Law of Ukraine "On Personal Data Protection".

According to the Law of Ukraine "On Personal Data Protection" the Seller undertakes to ensure protection of PJSC "ArcelorMittal Kryviy Rih" employees' personal data received from the Company.

In addition, the Seller confirms that personal data owners' consents to transfer of their personal data to PJSC "ArcelorMittal Kryviy Rih" under this Contract and its processing by PJSC "ArcelorMittal Kryviy Rih" have been received in compliance with the Law mentioned above. The Seller undertakes to fulfill the requirements of the Law of Ukraine "On Personal Data Protection" relative to this Contract.

10.13. ***(Allowed not to be included in case Vendor has no stamp and informed about that)*** Parties have agreed on obligation of stamping on this Contract and all contractual documents that are an integral part of this Contract.

10.14. While signing this Contract Parties confirm that:

- they have agreed on all essential Contract clauses;
- Parties' representatives that have signed this Contract have required authority for conclusion of this Contract with other Party.

11. The Parties' legal addresses and banking information

Buyer

Public Joint Stock Company
«ArcelorMittal Kryvyi Rih»
50095, Dnepropetrovsk region,
Kryvyi Rih, 1, Ordzhonikidze street,
USREOU 24432974, INN 244329704050
Certificate of the tax payer
№ 100335838
PJSC "Citibank"
MFO 300584, USREOU 21685485
Address: 16-G, Dymyrov Str., the City of Kyiv,
03150, Ukraine,
Account current in UAH: 26008200354222.

PJSC "ING Bank Ukraina"
Address: 30-A, Spas'ka St., the City of Kyiv,
04070, Ukraine, MFO 300539,
USREOU 21684818, SWIFT code: INGBUAUK
Account current in UAH: 26003003100800

Seller