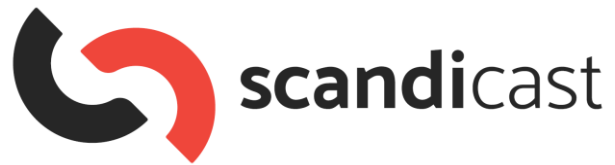


Sales and Terms of Delivery Scandicast SIA



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INTRODUCTION

These terms and conditions (hereinafter the "Sales Terms") shall apply in the event that nothing else has been agreed upon in writing between the customer and Scandicast SIA. The sale of castings follows the specified terms and conditions of NLG 03 (General Conditions for the Supply of Castings). For technical terms of delivery, refer to SB document 01.03.02. In case of discrepancies between the terms of NLG and the Sales Terms, the terms and conditions of the Sales Terms should prevail.

1 BINDING AGREEMENT

A binding agreement is first entered into when a purchase order has been received. This will be confirmed by order confirmation electronically.

If the customer cancels a produced order, a cancellation fee will be charged.

2 SALES LIEN

Scandicast SIA has a sales lien (ownership rights) on the delivered items and pattern equipment until the purchase sum with added interest and expenses has been paid in full. An accepted bill of exchange is not regarded as payment until it has been redeemed in its entirety. The purchaser does not have the right to sell the items to another party until it has been paid for.

3 CUSTOMER TERMS AND CONDITIONS

If the purchaser uses normal or special purchasing terms and conditions which deviate from these terms and conditions, the latter shall take precedence unless Scandicast SIA has approved any deviations in writing.

4 PAYMENT TERMS AND CONDITIONS

Payment terms are 30 days. Invoice/due dates will appear on the invoice. If payment in full is not received on the due date, Scandicast SIA may invoice interest on overdue amount at a rate of 1% per month.

Payment in a currency other than EUR must be agreed upon in writing.

5 SHIPPING

Standard delivery terms are FCA Dobele / Riga according to Incoterms 2020. In the event that the items are not picked up at the agreed-upon time, we reserve the right to undertake to ship the items at the expense of the customer. If shipping is to be taken care of by Scandicast SIA, then the customer shall defray the freight charges if nothing to the contrary has been agreed upon in a separate freight agreement. Scandicast SIA will then bear the risk of the shipment.

6 CLAIMS AND RETURNS

Claims shall be made in writing and any possible credits will normally not be granted before Scandicast SIA has accepted the claim. Claim documentation as minimum shall include item charge number, photos of deviation and defected quantity.

The items has to be returned to Scandicast SIA unless agreed in written that items can be scrapped at customer's site. For other terms and conditions regarding claims, refer to the section in NLG 03 entitled "Responsibility and defects".

7 PACKAGING

If nothing to the contrary has been agreed upon, the items will be packed on Euro pallets with bins and invoiced along with shipment of goods. Plastic covering or another form of protection against rust must be agreed upon separately. Prices for special packaging material shall be agreed upon separately.

8 LEAD TIMES

Scandicast SIA standard lead times are as follows:

Coreless castings	- 6 weeks
Core-intensive castings	- 8 weeks
Finished machined castings	- 12 weeks
FAI / New products	- shall be confirmed individually
FPR / First serial delivery	+ 2 weeks of STD lead time

9 BATCH SURCHARGE

For each item per agreed-upon delivery, there will be a batch surcharge. This involves costs associated with the transport, preparation and checking of patterns and core boxes prior to and after production, change-over and minor maintenance of pattern equipment.

Batch surcharge price is: EUR 90

10 RAW MATERIAL SURCHARGE

Raw material surcharge (also Material charge) is a charge invoiced per net kilos delivered in addition to confirmed fixed casting sales price, to offset the increasing costs of raw materials caused by fluctuations of market steel scrap prices.

11 EXPRESS DELIVERY SURCHARGE

If delivery lead time has been negotiated and agreed shorter than standard lead times listed in clause 8, an Express delivery surcharge in amount of EUR 500 per order line will be invoiced.

12 CERTIFICATES

If the items are to be delivered with a certificate, these are subject to:

- EN 10204-2.2 EUR 55
- EN 10204-3.1 EUR 200
- EN 10204-3.1 (incl. impact test) EUR 325
- EN 10204-3.1 (incl. microstructure report) EUR 325
- EN 10204-3.2 (agreed classification society visit fee per hour)
- Add-on per charge (Extra test bed)/ EUR 115
- Add-on per charge incl. impact test/ EUR 245
- Add-on per charge incl. microstructure report/ EUR 245
- Other certificates/tests as per accounts rendered.

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13 WAREHOUSING OF PATTERN EQUIPMENT

The basis for the invoicing of warehousing is established in NLG 03, point 7.

The seller shall see to the warehousing of patterns, tools and equipment for as long as the deliveries are proceeding. If patterns, tools and equipment remain with the seller after the last agreed-upon casting, it is the responsibility of the seller to see to their storage at the expense and risk of the purchaser.

Warehousing fee of pattern equipment is not computed for active patterns, i.e. patterns which have been in use for the last 12 months. For inactive patterns, warehousing fee is computed in arrears, without a purchase order, and with reference to the individual responsible for castings.

The following rates are used for warehousing:

- Not used the last calendar year : EUR 40
- Not used the last 2 calendar years : EUR 136
- Not used the last 3 or more calendar years : EUR 272

14 PATTERN EQUIPMENT, RESPONSIBILITY

The pattern owner is responsible for insurance of their own property wherever it is stored.

Patterns, tools and equipment to be used in performance of the contract, which are provided by the purchaser, shall remain the purchaser's property. The purchaser shall pay Scandicast SIA for any work necessary to check, adjust or complete such patterns, tools and equipment.

Patterns, tools and equipment, which are provided by Scandicast SIA shall be paid by the purchaser and shall become the property of the purchaser upon its request as soon as they are paid for in full. Scandicast SIA shall clearly mark patterns, tools and equipment belonging to the purchaser or tailor made for the purchaser.

15 DISPUTES

Disputes arising out of or in connection with the contract shall be finally settled by arbitration – the Riga Permanent Court of Arbitrage, registration number 40003759884, according to the rules of the procedure of the court, by one arbitrator in written procedure.