

FERROTRADE INTERNATIONAL (PTY) LTD

GENERAL TERMS AND CONDITIONS OF PURCHASE

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These General Terms and Conditions of Purchase govern all procurement of goods and services by Ferrotrade International (Pty) Ltd and are subject to South African law.

I. SCOPE

1. These General Terms and Conditions of Purchase ("GTC-P") apply to all current and future orders of goods, services, and contract work placed by Ferrotrade International (Pty) Ltd ("Ferrotrade" or "we/us") with suppliers, service providers, and contractors ("Seller") who are juristic persons or traders within the meaning of applicable South African commercial law. We do not accept any conflicting or deviating terms and conditions of the Seller unless expressly agreed in writing. Acceptance of delivered goods without explicit written objection shall in no event constitute acceptance of the Seller's terms and conditions.
 2. Oral agreements made by our employees or representatives are only binding upon us once confirmed in text form by an authorised representative of Ferrotrade.
 3. The preparation of offers, quotations, and tender responses is entirely at the Seller's cost and is non-binding for Ferrotrade.
 4. Commercial terms shall be interpreted in accordance with the most current version of the Incoterms published by the International Chamber of Commerce.
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II. PRICES

1. The agreed price is a fixed price. No unilateral price increases shall be permissible after the order has been placed, except where expressly agreed in writing by Ferrotrade.
 2. For deliveries on "free domicile," "free destination," or other "free/franco" terms, the agreed price includes all freight and packaging costs. For freight collect shipments, Ferrotrade will only bear the lowest available freight costs unless a specific mode of transport has been agreed.
 3. All prices are quoted in South African Rand (ZAR) unless otherwise agreed in writing. Where foreign-currency pricing is agreed, exchange rate risk shall be allocated as per the specific contractual agreement.
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III. QUALITY AND ENVIRONMENTAL COMPLIANCE

The Seller must establish and maintain a documented quality assurance system and an environmental management system appropriate to the nature and scope of the goods or services supplied, in compliance with applicable SANS/ISO standards and South African environmental legislation, including the National Environmental Management Act 107 of 1998 and applicable sector-specific regulations. The Seller must maintain records of quality inspections and make them available to Ferrotrade upon request. The Seller consents to quality and environmental audits by Ferrotrade or a duly appointed representative in order to assess the effectiveness of the Seller's management systems.

IV. PAYMENT

1. Unless otherwise agreed or more favourable terms are offered by the Seller, payment shall be made within 14 days with a 3% discount, within 21 days with a 2% discount, or within 30 days net cash after receipt of a valid tax invoice.
2. Payment and discount periods commence upon receipt of a valid VAT invoice from the Seller, but not before: (a) receipt of the goods; or (b) in the case of services, acceptance thereof; and (c) where documentation such as inspection certificates (e.g., mill test certificates in terms of EN 10204 / SANS 10204) forms part of the deliverable, not before such documentation has been properly received by us.
3. Payment shall be made by electronic funds transfer (EFT) to the Seller's nominated South African bank account. Payment shall be deemed timeously made when the EFT instruction has been transmitted by Ferrotrade on or before the due date.
4. Default interest is not claimable unless Ferrotrade is placed in default by written notice and fails to pay within five (5) business days of such notice. Default interest shall not exceed the rate

prescribed under the Prescribed Rate of Interest Act 55 of 1975 (as amended). Ferrotrade retains the right to prove that any alleged loss caused by late payment is less than the amount claimed by the Seller.

5. Ferrotrade is entitled to all rights of set-off and retention available under South African law. In particular, Ferrotrade is entitled to withhold payment of the purchase price for as long as agreed inspection certificates in terms of EN 10204 / SANS 10204 remain outstanding.

V. DELIVERY, DELIVERY PERIODS, AND DELAY

1. A delivery note must accompany each delivery at the destination, showing the date, our order number, marks and package numbers, quantity or weight, and a brief description of the goods. The quantities, measurements, and weights determined by us upon receipt are conclusive for invoicing purposes. Where goods are classified as construction products, they must be manufactured in compliance with applicable SANS standards and building regulations and must be accompanied by all relevant declarations of conformity, test certificates, and statutory documentation.
2. Agreed delivery dates and periods are binding. The Seller must notify us immediately in text form of any anticipated delay and must simultaneously propose appropriate remedial measures to mitigate the consequences of late delivery.
3. Unless otherwise agreed in text form, compliance with a delivery date or period is determined by the date of receipt of the goods at our designated delivery address.
4. If the Seller is in default of delivery, we are entitled — unless otherwise agreed — to charge a flat-rate penalty of 0.2% of the order value per business day of delay, up to a maximum of 5% of the order value, unless the Seller proves that our actual loss is less. Our right to claim further damages beyond this cap is preserved. After the fruitless expiry of a reasonable period of notice granted by us, we are entitled to claim damages in lieu of performance. Our claim to delivery lapses only once the Seller has compensated us for all resulting damages.
5. The Seller may rely on the absence of documents required from us only if it has requested such documents in text form and has not received them within a reasonable time thereafter.

VI. RETENTION OF TITLE

1. Any retention of title provisions of the Seller shall apply only on the basis that ownership passes to Ferrotrade upon payment of the purchase price, and that no extended or current-account form of retention of title shall apply.
2. The Seller may demand the return of goods on the basis of retention of title only if the Seller has first validly cancelled the contract and Ferrotrade remains in possession of the goods.

VII. EXECUTION OF DELIVERIES AND TRANSFER OF RISK

1. The Seller bears the risk of accidental loss or deterioration of the goods, including for "franco" or "free domicile" deliveries, until the goods have been physically handed over at the agreed destination and accepted by Ferrotrade.
2. Partial deliveries require Ferrotrade's prior written consent.
3. Over- or under-deliveries are only permissible within normal commercial tolerances and must be agreed in advance in text form.
4. Unless otherwise agreed in text form, all packaging costs shall be borne by the Seller. Where Ferrotrade agrees to bear packaging costs, these must be charged at the most competitive market rates. The Seller's obligations regarding take-back and disposal of packaging are governed by applicable South African waste management legislation, including the National Environmental Management: Waste Act 59 of 2008. Return of packaging shall, unless otherwise

agreed, take place at Ferrotrade's business address. The Seller bears all costs of return transport and environmentally compliant recycling or disposal of packaging.

VIII. DECLARATIONS OF ORIGIN

1. Upon Ferrotrade's request, the Seller shall provide a supplier's declaration of origin and/or a certificate of origin (preferential or non-preferential) in respect of the goods, in a form acceptable to the South African Revenue Service (SARS) or the relevant customs authority.
 2. Where the Seller issues declarations regarding the origin of the goods supplied, the following applies:
 - a) The Seller undertakes to facilitate verification of origin documentation by SARS or any other competent customs authority, to provide all required information, and to procure necessary confirmations.
 - b) The Seller shall indemnify Ferrotrade against all losses, duties, penalties, and expenses arising from rejection of declared origin by SARS or any other competent authority due to incorrect certification or the Seller's failure to maintain adequate records, unless such consequences are attributable to Ferrotrade.
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IX. LIABILITY FOR DEFECTS AND PRESCRIPTION

1. The Seller shall deliver goods free of material and legal defects and warrants that all deliveries and services comply with the generally accepted rules of technology and science, all applicable SANS standards, and the agreed contractual specifications and characteristics.
 2. Upon receipt, Ferrotrade will inspect the goods for quality and completeness to a commercially reasonable extent. In the absence of specific indications of defects, only a visual external inspection for apparent defects is required; internal or hidden defects are excluded from this obligation. Notification of defects shall be timely if received by the Seller in writing within ten (10) business days of the date Ferrotrade discovered or ought reasonably to have discovered the defect, whether by Ferrotrade or, in the case of direct deliveries, by Ferrotrade's customer.
 3. Where goods are defective, Ferrotrade shall, at its discretion, be entitled to all statutory remedies available under South African law, including those available under the Consumer Protection Act 68 of 2008 and the common law of sale. A single failed repair attempt shall be deemed sufficient for the repair to be considered unsuccessful. Ferrotrade is entitled to cancel the contract even in respect of minor defects.
 4. Ferrotrade may claim reimbursement from the Seller for all costs and expenses incurred by Ferrotrade towards its own customers arising from a defect that existed at the time risk passed.
 5. Warranty claims by Ferrotrade against the Seller prescribe after 36 months from the date of timely defect notification. The Seller's overall liability in respect of defects extinguishes no later than ten (10) years after delivery of the goods. The prescription limitation does not apply where the Seller was aware of, or could not reasonably have been unaware of, the relevant facts and failed to disclose them to Ferrotrade.
 6. The Seller hereby assigns to Ferrotrade, by way of performance, all claims the Seller has against its own upstream suppliers arising from or related to defective goods or goods lacking guaranteed characteristics. The Seller shall provide all documents necessary for Ferrotrade to pursue such claims.
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X. SUPPLEMENTARY TERMS FOR CONTRACT WORK AND SERVICES

1. All goods and materials provided by Ferrotrade to the Seller for processing, treatment, or incorporation remain the exclusive property of Ferrotrade. Any processing or manufacturing carried out by the Seller is deemed to be performed on behalf of Ferrotrade as manufacturer within the meaning of applicable South African common law, without incurring any obligation on Ferrotrade's part.

2. The Seller must store Ferrotrade's goods separately from its own goods and those of other clients, and must clearly label and identify them as Ferrotrade's property. The Seller must provide proof of compliance with this obligation upon Ferrotrade's request.
 3. The Seller must maintain adequate insurance cover for Ferrotrade's goods in its possession. The Seller is liable under South African law for all loss, damage, mixing, contamination, or other impairment of Ferrotrade's goods while in the Seller's custody or control.
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XI. PLACE OF PERFORMANCE, JURISDICTION, GOVERNING LAW, AND DATA PROTECTION

1. Unless otherwise agreed, the place of performance for delivery shall be Ferrotrade's designated delivery address in Johannesburg, South Africa.
 2. The parties consent to the non-exclusive jurisdiction of the High Court of South Africa (Gauteng Division, Johannesburg). Ferrotrade also reserves the right to institute proceedings against the Seller in any other court of competent jurisdiction, including at the Seller's place of business.
 3. All legal relations between Ferrotrade and the Seller are governed exclusively by the laws of the Republic of South Africa. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is expressly excluded.
 4. All personal information of the Seller's personnel and representatives is processed by Ferrotrade in compliance with the Protection of Personal Information Act 4 of 2013 (POPIA). Supplier data is used solely for procurement and business relationship management purposes.
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XII. GENERAL PROVISIONS

1. Should any provision of these GTC-P be found invalid, unlawful, or unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect. The invalid provision shall be replaced by a valid provision that most closely achieves the commercial intent of the parties.
2. No waiver of any right under these GTC-P shall be effective unless made in writing and signed by an authorised representative of Ferrotrade.
3. These GTC-P constitute the entire terms applicable to the procurement relationship and supersede all prior representations, negotiations, or agreements.