



Methodology and Specifications

Steel Reference Prices

“Steel Indices”

April 2006

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Methodology and Specifications for the Steel Indices

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1. Overview

The Steel Index (“TSI”) is the premier provider of independent price information for key steel and steelmaking products around the world, based on actual transaction data. It is a neutral, impartial organisation that is owned by Platts, a division of the McGraw-Hill Companies.

TSI specialises in the compilation of industry reference price data for clearly specified products, using rigorous, transparent processes and secure web-based technology. Its objective is to compile and publish reference prices (“Indices”) that are highly representative of physical spot market transaction prices for selected products. The Indices are based on price data submitted by companies active in the relevant product markets, participating in physical transactions of specified products. The approach is data-driven, based on statistical analysis of price data samples rather than assessments derived from telephone polling.

The Indices are compiled using transparent and verifiable processes, providing market participants with confidence in their objectivity and making them suitable for use in financial instruments. TSI has no financial interest in the prices of the products for which it compiles Indices.

This document sets out the methodology and specifications (“Guidelines”) used by TSI in compiling its steel reference prices (“Steel Indices”). Separate documents are available describing the methodology and specifications used by TSI in compiling its iron ore and scrap reference prices.

These Guidelines may be updated over time to take into account changes in the market being assessed. Changes could reflect developments in terms of the specifications of the products traded or in trading practices, based on feedback from market participants. This will allow the Steel Indices to evolve with the market and provide reference prices that are highly representative of physical spot market transactions at all times. Any such changes will be posted on The Steel Index website (www.thesteelindex.com) under the menu option ‘Procedures & Methodology’.

2. Steel Indices

TSI currently compiles the range of reference prices for steel products around the world listed in Appendix 1. This list is not fixed and is continually being expanded in response to client interest.

TSI’s steel reference prices are for spot price transactions for the next available delivery period. The full product specification and pricing point basis for each product is specified in Appendix 2.

Steel is well known for its multitude of products. TSI has chosen the most homogenous, fungible and frequently-traded base product as its reference specification in each product category. This has the twin effect of ensuring that as many people as possible can report data to TSI, providing good granularity to the data set, and making the price produced instantly recognisable to users of other grades in the same category.

Transaction data for steel products with specifications outside the ranges stated in Appendix 1 is not included in the compilation of the respective steel reference prices.

2.1 Currency and Units

The Steel Indices are quoted in the currency and volume units most commonly used in the respective reporting region. These are included as part of the product definitions in Appendix 2.

2.2 Price fluctuations

The Steel Indices are rounded to the nearest whole integer. This limits the price fluctuations of the Steel Indices to a minimum movement of “1”, whether the product is denominated in Euros/ US Dollars/Chinese Yuan or another currency, or priced in metric tonnes/short tons or other volume units.

2.3 Publication Time

Some Steel Indices are published on a daily basis and some on a weekly basis, as specified in Appendix 1. Daily Steel Indices reflect the average transaction price during 24 hours prior to publication. Weekly Steel Indices reflect the average transaction price during the specified calendar week .

Daily Steel Indices are published every UK working day at 14:00 UK time. Weekly Steel Indices for the previous week are published every Monday by 19:00 UK time, except on UK public holidays.

When UK public holidays fall on a Monday, publication of the weekly Steel Indices is delayed until the following Tuesday. Dates of UK public holidays for the following calendar year on which the Steel Indices will not be published will be clearly specified on The Steel Index website (www.thesteelindex.com).

2.4 Corrections

TSI will not change the value of the published Steel Indices retroactively based on new information that comes to light after publication. If a typographical, human or technical error in the published Steel Indices is identified, however, TSI will issue a correction immediately. If a correction is required for any other reason, such as errors identified in the data processing or calculations, TSI will issue a correction within 3 business days of publication.

3. **Data Providers**

For its Steel Indices, TSI works with a broad group of companies that have agreed to submit steel spot price data based on their actual transactions. These companies (“Data Providers”) include steel producers (“mills”), traders and service centres as well as steel fabricators, processors and end-consumers from all relevant regions. TSI aims to have a balance of Data Providers representing the “buy side” and “sell side” of transactions for each price series.

3.1 Data Provider Qualifications

TSI requires a number of conditions to be satisfied before a representative of a company can become a data provider:

- Every data provider has to be directly involved in the steel supply chain, buying or selling relevant steel products.
- Every data provider has to be directly involved in spot transactions. Long-term contract prices, or index-related prices are ineligible for submission.
- Every data provider has to be buying or selling steel products within the relevant categories and geographical areas at the pricing points specified for each series in Appendix 1.

3.2 Data Provider Make Up

- Data providers typically hold positions in the commercial sales or purchasing departments in their companies, although they can also be members of senior management. All have direct access to their company's transaction data.
- Steel producers, steel traders/stockists/service centres and fabricators/processors/end-consumers all participate as Data Providers to the Steel Indices in order to reflect the perspectives of the whole supply chain. Each reporting segment represents around one third of all Data Providers.

3.3 Data Provider Agreement

- Each Data Provider must enter into a signed agreement (“Data Provider Agreement”) with TSI. The Data Provider Agreement commits the Data Provider to submit accurate steel price and related information, (“Data”) based on actual transactions known to the Data Provider, in the utmost good faith. In return, TSI guarantees that the identity of each Data Provider and the data submitted is kept completely confidential.
- The Data Provider Agreement is reproduced in full in Appendix 3.

3.4 Data Provider Rewards

- No monetary reward is exchanged for companies participating as Data Providers to the Steel Indices. Companies taking part receive a complimentary subscription to TSI's reference price services, delivered direct to the individual submitting prices.

4. **Data Collection**

TSI requires Data Providers for its Steel Indices to provide information of their average spot transaction prices during the relevant trading period, where one or more spot trades have taken

place. At the same time, TSI also collects data on the spot volumes transacted (for the purpose of volume-weighting the reference prices), as well as related transaction information such as delivery lead times.

4.1 Data Collection and Storage Procedures

Each Data Provider submits Data to TSI via secure, password-protected forms on the TSI website. Confidential communication is ensured by the use of a GlobalSign, ServerSign SSL certificate using 128-bit encryption. All Data Providers are assigned a confidential client identification number known only to a very limited number of senior level staff within TSI. All Data is stored against the client identification number.

4.2 Collection period / Time of assessment

Data Providers are able to submit Data on their transactions to TSI at any time convenient to them (i.e. 24 hours per day), 7 days per week, by using the secure online submission forms on the website.

Daily Steel Indices are based on all data submitted during the preceding 24 hour period, closing 1 hour before publication time each day.

The weekly Steel Indices published each Monday are based on all data submitted in the previous calendar week running from 00:00 GMT Monday to 23:59 GMT on Sunday.

4.3 Data Collected and Units

The Steel Indices aim to give a transparent and unbiased view of the transacted price of the specified steel reference products in the spot market. Hence data collected from Data Providers is for spot sales/purchases only, excluding other forms of purchasing arrangements.

Data Providers are required to submit the following transaction information in each data submission:

Material Specifications

- As defined for each product listed in Appendix 2.

Transaction Price

- Price – spot transaction price for the next available delivery period – quoted up to two (.00) decimal places, in currencies listed alongside the product in Appendix 2.

Volume

- Volume associated with each price submitted – no decimal places, in the volume units listed in the product specification in Appendix 2.
- The minimum volume permitted varies between product definitions; Appendix 2 should be consulted. A minimum volume size is set for each product series because orders

smaller than that can frequently carry a 'small order' premium. Only transactions of the minimum volume or larger are considered in calculation of the Steel Indices.

Average Order Size

- The average volume of the individual orders associated with the price and volume submitted – no decimal places, in the same volume units as the total volume (as specified in Appendix 2). This will frequently be the same as the total volume submitted, but will identify if the volume submitted was comprised of more than one order.

Delivery Lead-Time

- The length of time from the completion of the spot transaction to the next available delivery period (in weeks – no decimal places).

Additional (optional) Information

- Data Providers also have the option to submit information on their stock level movements over the past week and on their demand and price expectations for the next three months. This is not a requirement.

5. Calculation Procedure for Steel Indices

The same calculation procedure is used to compile all TSI Steel Indices world-wide. This ensures that all Steel Indices are compiled on a consistent basis and are directly comparable by clients.

Calculation of the Steel Indices involves two principal steps:

- i) Analysis and rationalisation of the data set i.e. statistical checks, validation and removal of outliers.
- ii) Volume weighted average calculation of the prices submitted based on the rationalised and validated data.

5.1 Data Rationalisation Procedure

All Data submitted is initially screened to ensure that the data set is as tight as possible pre-calculation stage. For each price series:

- Any data more than +/- 20% from the arithmetic average (mean) is excluded and the average recalculated;
- The remaining data is then screened to remove any data more than +/- 1 times the standard deviation from the average.
- The highest and lowest prices within the remaining data are also excluded at this point if they have not already been excluded in the previous steps.

The remaining data sample is referred to as the “core data”.

5.2 Calculation of Reference Prices

Each of the Steel Indices is calculated as the volume-weighted average of the core price data submitted.

In calculating the volume-weighted reference price the percentage weighting assigned to any single transaction is capped in order to ensure that the volume-weighted average figure remains representative of all core data submitted.

5.3 Verification Procedures

In addition to the calculation of the Steel Indices, a variety of statistical analyses of all the price data and other information submitted by Data Providers are conducted. The purpose of these analyses is firstly to monitor and record the size, attributes and consistency of the data sample submitted for the relevant period in order to validate the statistical robustness of the Steel Indices and secondly to monitor individual data submissions for any signs of bias or attempts by individual Data Providers to manipulate the Steel Indices.

Any data submissions exhibiting unusual trends relative to the average and rest of the data sample are investigated by TSI and the Data Provider concerned is contacted. If no satisfactory explanation can be found, the agreement with the Data Provider concerned is terminated and no further data is collected from that company.

5.4 Fall-back Procedure

If analysis of the data sample on any occasion reveals that it does not provide a sufficiently statistically robust basis for compiling one or more of the Steel Indices (for example, if an insufficient number of transactions has been submitted during the period), a fall-back procedure is deployed for the calculation of the relevant steel reference price(s). This fall-back procedure ensures that all Steel Indices can be compiled on every occasion.

As a first level of fall-back, the Data sample collected for the current period is supplemented by “rolling forward” Data submissions made during the previous period by Data Providers that have not submitted any Data during the current period. Providing this achieves a Data sample which is a sufficiently statistically robust basis for calculating the required Steel Index, the usual methodology is then applied, but any price Data “rolled forward” carries a reduced volume weighting in the calculation of the reference price.

If, after applying this first fall-back measure, there is still insufficient Data to meet the necessary robustness criteria for compiling the Steel Index, a second fall-back measure is applied in which the Data sample is supplemented with firm bid and offer price data for the relevant period. The usual calculation methodology is then applied, but any firm bid and offer price data used also carries a reduced volume weighting relative to any transaction data submitted for the current period

5.5 Advisory Committee

An advisory committee consisting of senior management of The Steel Index and Steel Business Briefing with extensive experience of the steel, scrap and iron ore sectors has been established to review the product definition, data collection and Index compilation processes.

This committee focuses on reviewing the definitions and processes used periodically, with a view to ensuring that the Steel Indices are highly representative of physical spot market transaction prices for relevant products. It cross-references the Steel Indices with the opinions/reports of market commentators and industry participants to check they continue to be representative of the relevant spot markets.

If, in the opinion of the advisory committee, divergence ever occurs, it is responsible for proposing amendments to the procedures used in order to eliminate this perceived divergence. It should be noted that the committee cannot directly adjust the Steel Indices in any given week before publication. The advisory committee can only propose changes to the definitions and procedures used for Index compilation in the future. This ensures that the Steel Indices are not subject to any subjective input at any time.

If any changes are made to the product specifications or Index compilation procedures, these are posted on The Steel Index website (www.thesteelindex.com) under the menu option 'Procedures & Methodology'.

Appendix 1

TSI Steel Indices and Publication Frequency

Daily

Hot Rolled Coil (HRC) - Northern Europe, domestic

Hot Rolled Coil (HRC) - Southern Europe, domestic

Weekly

Hot Rolled Coil (HRC) - USA, domestic

Cold Reduced Coil (CRC) - USA, domestic

Hot Dipped Galvanised (HDG) Coil - USA, domestic

Plate - USA, domestic

Rebar - USA, domestic

Cold Reduced Coil (CRC) - Northern Europe, domestic

Hot Dipped Galvanised (HDG) Coil - N. Europe, domestic

Plate - Northern Europe, domestic

Rebar - Northern Europe, domestic

Stainless Cold Reduced Coil - Northern Europe, domestic

Cold Reduced Coil (CRC) - Southern Europe, domestic

Hot Dipped Galvanised (HDG) Coil - Southern Europe, domestic

Plate - Southern Europe, domestic

Rebar - Southern Europe, domestic

Hot Rolled Coil (HRC) - Turkey, domestic

Cold Reduced Coil (CRC) - Turkey, domestic

Hot Dipped Galvanised (HDG) Coil - Turkey, domestic

Hot Rolled Coil (HRC) - Chinese Exports to Other Asia

Hot Rolled Coil (HRC) - Chinese Exports to Europe or North America

Cold Reduced Coil (CRC) - Chinese Exports to Europe or North America

Appendix 2

Product and Price Specifications

USA (Domestic)

Hot Rolled Coil (HRC) - USA, domestic

- Grade: Prime mild carbon steel ASTM A1011 CS/DS (or equivalent)
- Gauge: 5/64" upwards. Width: 48-60"
- Coil Weight: 20,000-50,000 lbs
- Order size: 500 short tons minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: FOB US Midwest mill
- Price units: US\$ per short ton

Cold Reduced Coil (CRC) - USA, domestic

- Grade: Prime mild carbon steel Quality SAE 1006/1008 (or equivalent)
- Gauge: 0.026-0.079". Width: 40-60"
- Coil Weight: 10,000-50,000 lbs
- Order size: 250 short tons minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: FOB US Midwest mill
- Price units: US\$ per short ton

Hot Dipped Galvanised (HDG) Coil - USA, domestic

- Grade: ASTM A 653 CS Type B (or equivalent)
- Coating: G 90 normal spangle
- Gauge: 16 G minimum (0.06" minimum) Width: 48-72"
- Coil Weight: 10,000 lbs minimum
- Order size: 100 short tons minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: FOB US Midwest mill
- Price units: US\$ per short ton

Plate - USA, domestic

- Grade: Prime carbon steel plate structural quality ASTM A36 (or equivalent)
- Gauge: 0.75-1.5". Width: 96"
- Order size: 100 short tons minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: FOB US Midwest mill
- Price units: US\$ per short ton

Northern Europe (Domestic)

Hot Rolled Coil (HRC) - Northern Europe, domestic

- Grade: Prime mild carbon steel EN10111 DD11 (or equivalent)
- Gauge: 2mm upwards. Width: 1250-1600mm
- Coil Weight: 10-25 metric tonnes
- Order size: 500 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, Ex-Mill, North European Basing Point
- Price units: € per metric tonne

Cold Reduced Coil (CRC) - Northern Europe, domestic

- Grade: Prime mild carbon steel EN10130 DC01 (or equivalent)
- Gauge: 0.9-2.0mm. Width: 1100-1700mm
- Coil Weight: 10-20 metric tonnes
- Order size: 250 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, Ex-Mill, North European Basing Point
- Price units: € per metric tonne

Hot Dipped Galvanised (HDG) Coil - N. Europe, domestic

- Grade: EN 10327:2004 DX51D or EN 10326: 2004 S220GD (or equivalent)
- Coating: Z275 normal spangle
- Gauge: 1.25mm. Width: 1100-1300mm
- Coil Weight: 7 metric tonnes minimum
- Order size: 100 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Price, Ex-Mill, North European Basing Point
- Price units: € per metric tonne

Plate - Northern Europe, domestic

- Grade: Prime carbon steel plate structural quality EN10025 S235 JR (or equivalent)
- Gauge: 16-40mm. Width: 2500mm
- Order size: 100 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Price, Ex-works North European mill
- Price units: € per metric tonne

Rebar - Northern Europe, domestic

- Grade: Mild carbon steel EN 10080 (or equivalent)
- Diameter: 12-32mm. Length: 8-15m
- Bundle Weight: 3-5 metric tonnes
- Order size: 100 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Price, Ex-Mill, North European Basing Point
- Price units: € per metric tonne

Stainless Cold Reduced Coil - Northern Europe, domestic

- Grade: AISI 304, EN 10088-2 1.4301, EN 10095 (or equivalent) Finish 2B
- Gauge: 2mm. Width: 1200-1250m
- Coil Weight: 5 metric tonnes minimum
- Order size: 20 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Ex-works, North European mill
- Price units: € per metric tonne

Southern Europe (Domestic)

Hot Rolled Coil (HRC) - Southern Europe, domestic

- Grade: Prime mild carbon steel EN10111 DD11 (or equivalent)
- Gauge: 2.0-4.0mm. Width: 1250-1600mm
- Coil Weight: 14-25 metric tonnes
- Order size: 500 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, Ex-Mill
- Price units: € per metric tonne

Cold Reduced Coil (CRC) - Southern Europe, domestic

- Grade: Prime mild carbon steel EN10130 DC01 (or equivalent)
- Gauge: 0.6-2.0mm. Width: 1100-1700mm
- Coil Weight: 10-20 metric tonnes
- Order size: 250 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, Ex-Mill
- Price units: € per metric tonne

Hot Dipped Galvanised (HDG) Coil - Southern Europe, domestic

- Grade: EN 10327:2004 DX51D or EN 10326:2004 S220GD (or equivalent)
- Coating: Z200 normal spangle
- Gauge: 1.25mm. Width: 1100-1300mm
- Coil Weight: 7 metric tonnes
- Order size: 100 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Price, Ex-Mill
- Price units: € per metric tonne

Plate - Southern Europe, domestic

- Grade: Prime carbon steel plate structural quality EN10025 S235 JR (or equivalent)
- Gauge: 16-40mm. Width: 2500mm
- Order size: 100 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Price, Ex-works South European mill
- Price units: € per metric tonne

Rebar - Southern Europe, domestic

- Grade: Mild carbon steel EN 10080 (or equivalent)
- Diameter: 12-32mm. Length: 8-15m
- Bundle Weight: 3-5 metric tonnes
- Order size: 100 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Price, Ex-Mill
- Price units: € per metric tonne

Turkey (Domestic)

Hot Rolled Coil (HRC) - Turkey, domestic

- Grade: Prime mild carbon steel EN10025 S235 JRG1 or 3237 (or equivalent)
- Gauge: 2.0-6.0mm. Width: 1200-1500mm
- Coil Weight: 10-20 metric tonnes
- Order size: 500 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, Ex-Mill
- Price units: US\$ per metric tonne

Cold Reduced Coil (CRC) - Turkey, domestic

- Grade: Prime mild carbon steel EN10130 DC01 (or equivalent)
- Gauge: 1.0-2.0mm. Width: 1000-1500mm
- Coil Weight: 5-15 metric tonnes
- Order size: 250 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, Ex-Mill
- Price units: US\$ per metric tonne

Hot Dipped Galvanised (HDG) Coil - Turkey, domestic

- Grade: EN 10327:2004 DX51D or EN 10326:2004 S220GD (or equivalent)
- Coating: Z140 normal spangle
- Gauge: 0.75-1.50mm. Width: 1000-1500mm
- Coil Weight: 5-10 metric tonnes
- Order size: 100 metric tonnes minimum
- Including surcharges (e.g. scrap surcharge)
- Excluding extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Price, Ex-Mill
- Price units: US\$ per metric tonne

China (Exports)

Hot Rolled Coil (HRC) - Chinese Exports to Other Asia

- Prime mild carbon steel JIS G3101 SS400 or Q235 (or equivalent)
- Gauge: 2-7mm. Width: 1200-1600mm
- Coil weight: 10-25 metric tonnes
- Order size: 1000 metric tonnes minimum
- Excluding surcharges and extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, FOB Stowed China Port
- Price units: US\$ per metric tonne

Hot Rolled Coil (HRC) - Chinese Exports to Europe or North America

- Grade: Prime mild carbon steel EN10111 DD11 or Q235 (or equivalent)
- Gauge: 2-7mm. Width: 1200-1600mm
- Coil weight: 10-25 metric tonnes
- Order size: 1500 metric tonnes minimum
- Excluding surcharges and extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, FOB Stowed China Port
- Price units: US\$ per metric tonne

Cold Reduced Coil (CRC) - Chinese Exports to Europe or North America

- Grade: Prime mild carbon steel EN10130 DC 01 or SAE 1006/1008 or Q235 (or equivalent)
- Gauge: 1.0-2.5mm. Width: 1100-1700mm
- Coil weight: 5-20 metric tonnes
- Order size: 500 metric tonnes minimum
- Excluding surcharges and extras (e.g. non-standard dimensions or order sizes)
- Price point: Net Effective Base Price, FOB Stowed China Port
- Price units: US\$ per metric tonne

Appendix 3

DATA PROVIDER AGREEMENT: STEEL

1. The Steel Index Limited (“TSI”) compiles and publishes an index comprising one or more sets of reference prices for steel (“the Index”). This is based on information provided to TSI by a group of selected individuals in companies (“Data Providers”) active in different parts of the steel supply chain in different regions of the world. The information provided to TSI is based on actual transaction prices known to a Data Provider. TSI uses this information (“the Data”) as a basis for compiling the Index. The intention is to publish the Index weekly, or more frequently, and to provide a useful and accurate indicator of current steel prices. The Index is made available to all Data Providers free of charge.
2. TSI enters into an Agreement with each and every Data Provider on these terms. To ensure the integrity and reliability of the Index, should the Data Provider be unable at any time to comply with these terms, then the Data Provider must give notice of this to TSI. Subject to this, the Data Provider should give as much notice as possible of any intention to cease to provide Data in accordance with this Agreement.
3. The Data to be provided will comprise information based on steel market transactions known to the Data Provider. The Data Provider’s obligation will be to provide specified price information over specified periods for certain quantities of specified products in selected regions which may include information concerning delivery periods, quantities and order sizes. This should be as accurate as possible and based on actual transactions to which the Data Provider is a party. Whilst the Data Provider will not be required to supply details of particular transactions, the Data should be based on knowledge of actual transactions and be provided in the utmost good faith.
4. TSI will give notice to the Data Provider specifying the Data to be provided and the times during each week for the provision of the Data. The normal method of doing both will be via a secure web-site. TSI will also give notice of any changes to specification of or times for the provision of the Data.

5. TSI acknowledges that the Data and all other information provided by the Data Provider under or in connection with this Agreement is confidential and that all rights in and to, title in and/or interest in such Data and information (including all property and intellectual property rights and any database rights and protections) remain vested in the Data Provider save to the extent necessary for TSI to compile and verify the Index and comply with any audit requirements. For the avoidance of doubt, the Data provided by the Data Provider shall be used by TSI solely for the purpose of compiling the Index.
6. The Data Provider acknowledges that all aggregated Data, and procedures, calculations, formulae and processes used to compile the Index, are confidential and that rights in and to, title in and/or interest in such aggregated Data, procedures, calculations, formulae, and processes, and the Index itself (including all property and intellectual property rights and any database rights and protections) shall be vested in TSI which shall have the exclusive right to distribute the Index to third parties for which TSI may charge and retain fees.
7. TSI has the exclusive right to decide whether and what Data and other information (from any source) is used to compile the Index and what weighting to give to any such Data or other information.
8. TSI and the Data Provider agree that all information provided by one party to the other under or in connection with this Agreement will be treated as confidential and will not be disclosed to any other party without the prior written agreement of both the Data Provider concerned and TSI. Only those TSI employees requiring access to the Data to fulfil their work duties in TSI will be given access to the Data. Should a Data Provider or TSI receive any notice of or suggesting a legal requirement to disclose any such information, then immediate notice shall be given to the other party, unless this is prohibited by law. Disclosure shall not be given unless mutually agreed or legally required and then only of such information as is agreed or there is a legal obligation to disclose.
9. This Agreement is made between TSI and the Data Provider. The Data Provider may not transfer its rights or obligations under the Agreement to any other party. TSI may not transfer or assign the Agreement with the Data Provider or any of its rights or obligations under the Agreement with the Data Provider to any other party without the prior written consent of the Data Provider.

10. Any amendment to this Agreement must be made in writing and executed by both parties.

Any notice under the Agreement shall be considered properly given: by TSI if posted by TSI on the secure website on the same page as used for the provision of the Data by the Data Provider and the Data Provider has subsequently logged onto that page and read the notice or sent by courier delivery to the address of the Data Provider set out below; and by the Data Provider if sent to the secure website used for the provision of Data by the Data Provider and TSI has subsequently logged onto that page and read the notice or sent by courier delivery to the address of TSI set out below.

11. This Agreement and the relationship between the parties shall be governed by and construed in accordance with English Law and each of the Parties irrevocably submits to the exclusive jurisdiction of the Courts of England and Wales.

Signed:

.....

Name:

Position:

Date:

(Data Provider)

Company:

.....

Signed:

.....

Name:

Director

Date:

The Steel Index Ltd

Head office
 20 Canada Square, 12th Floor
 Canary Wharf,
 London E14 5LH
 United Kingdom

Regional Offices

| <u>Europe & Middle East</u> | <u>Americas</u> | <u>China</u> | <u>Asia (except China)</u> |
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