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- 1. Applicability**
- 1.1 These General Terms and Conditions for Purchase of Products (hereinafter: "T&Cs") set forth the terms and conditions which shall apply to the supply of all products offered by Supplier (hereinafter: "Goods") from Supplier to the respective company of Outokumpu Group issuing the order (hereinafter: "OTK").
- 1.2 Individual contracts between OTK and Supplier regarding the supply of Goods shall be concluded in each individual case through a written order from OTK referring to these T&Cs (hereinafter: "Order") and the written acceptance of this Order by Supplier (hereinafter: "Individual Contract"). An Order establishes and defines especially (i) the Goods required by OTK to be supplied by Supplier, (ii) the total amount to be paid by OTK pursuant to the respective Individual Contract, (iii) the delivery dates; and (iv) the place of delivery.
- 1.3 OTK hereby notifies Supplier of OTK's objection to any additional and/or different terms and conditions set forth in any writing from Supplier, unless and to the extent OTK has expressly agreed to any such additional and/or different terms in the applicable Order. Such rejected additional and/or different terms are not part of any Individual Contract and, therefore, not applicable. In the event of any conflict or inconsistency between these T&Cs and any terms or conditions agreed between OTK and Supplier in a Frame Agreement covering the Order issued by OTK, the terms and conditions agreed in the Frame Agreement shall prevail.
- 1.4 A request for quotation, bid, proposal or similar document issued by OTK is not an Order of OTK.
- 2. Delivery**
- 2.1 Unless otherwise mutually agreed in the Individual Contract place of delivery is the seat of OTK. Unless otherwise mutually agreed in the Individual Contract the risk of loss or damage to the Goods passes to OTK upon delivery at the agreed place of delivery.
- 2.2 The Goods shall by the Supplier be packed in such a way that damages or losses both during transportation as well as during OTK's handling and storage before the Goods are consumed or taken into use by OTK is avoided. The Goods shall be marked according to the instructions of OTK. If not packed or marked according to the above the Goods shall be regarded as defective.
- 2.3 Unless otherwise agreed by the Parties, delivery time shall be within five business days after Supplier's receipt of the Order. Shorter delivery time (express delivery) can be agreed upon on an individual basis. Any delivery by Supplier before the agreed delivery time requires OTK's prior written approval.
- 2.4 Supplier recognizes that time is of the essence and that OTK will suffer financial loss if the Goods are not delivered by the agreed delivery date. In case the delivery of any part of the ordered Goods is delayed beyond the delivery date specified in the applicable Individual Contract, OTK shall be entitled to liquidated damages in the amount of one percent (1%) of the price of the delayed Goods per each day of delay. The maximum amount of the liquidated damages payable for the delay under an Individual Contract shall be twenty percent (20%) of the price of the delayed Goods. The aforesaid does not restrict OTK's right to any further compensation for damages caused by the Supplier's delay in delivery or any other right OTK may have under law. The aforesaid does not restrict Supplier's right to proof, that the actual damage has been lower.
- 2.5 The title to the Goods delivered by Supplier shall pass from Supplier to OTK upon delivery of the Goods at the agreed place of delivery.
- 2.6 In the event Supplier or any subcontractor performs any services in connection with the delivery of the Goods at OTK's sites or facilities, Supplier agrees to abide and strictly comply with OTK's applicable requirements for work, activities or services as well as health and safety rules.
- 2.7 Supplier agrees to abide and strictly comply with OTK's corporate responsibility policies, ethics statements (e.g. OTK's Code of Conduct) and Supplier Requirements available at Outokumpu.com.
- 3. Warranty**
- 3.1 Supplier warrants that: (a) it has title to all Goods and the right to transfer title to such Goods to OTK; (b) all Goods delivered shall be in accordance with all requirements of these T&Cs and the respective Individual Contract; (c) all Goods shall be of new and first class material and workmanship; (d) all Goods shall be free from defect; (e) the Goods are in accordance with the best industry practices and applicable standards and codes, and are suitable for its use and fit for the purposes intended by OTK; (f) the documentation provided by Supplier related to the Goods will be complete and correct; and (g) the Goods will be properly labelled, marked and/or registered in accordance with all applicable laws.
- 3.2 Supplier warrants that the delivered Goods are in compliance with all applicable legal obligations, e.g. Directive (EC) No. 1907/2006 (REACH). Supplier shall inform OTK without delay about changes concerning the delivered Goods, their availability and their quality, especially resulting from REACH, and agree on suitable measures on a case-by-case basis. The same applies, once and as far the Supplier detects or should have detected that such changes could occur. OTK (downstream user) is not obliged to pre-register or register the delivered Goods.
- 3.3 OTK reserves all rights and remedies arising as a result of non-conformity of delivered Goods according to the contractual and/or statutory provisions. OTK is especially entitled to claim, at OTK's discretion, and Supplier is obliged at its expense to remedy of defects, delivery of conforming goods and damages.
- 3.4 In case of imminent danger OTK is entitled, after giving notice to Supplier, to remedy the defects on Supplier's cost.
- 3.5 Warranty claims shall be time-barred after 36 months of delivery of the Goods at the agreed place of delivery. In case of a remedy of defects or a replacement of non-conforming Goods a new three (3) year warranty period shall commence with respect to such Goods on the date of completion of such replacement, correction or repair.
- 3.6 Supplier will immediately notify OTK in writing when it becomes aware of any ingredient, component, design or defect in the Goods that is or may become harmful to persons or property or may contain or made of a Hazardous Material.
- 4. Prices, Invoices and Terms of Payment**
- 4.1 The prices for the Goods are set forth in the Order (individual prices or list price minus rebate). Prices include delivery to OTK's facilities and including any and all costs for packaging. All expenses, taxes, duties, charges, costs and fees of any kind are included in the prices for the Goods as set

- forth in the Order. There are no other additional types of expenses, costs, fees and/or moneys of any kind or whatever nature due to Supplier.
- 4.2 The prices set forth in the Order are valid until new prices are agreed.
- 4.3 Once the Goods under a certain Individual Contract are fully delivered by Supplier, Supplier shall be entitled to prepare and submit to OTK a valid commercial invoice covering these Goods.
- 4.4 The price is due and payable net within 90 days from receipt of the Goods and receipt of the proper invoice, issued by Supplier in accordance with the provisions set forth herein. OTK shall have the right to dispute any Supplier's invoice in whole or in part. For invoices disputed by OTK in part, OTK shall pay the undisputed amount in accordance with the above-mentioned payment terms.
- 5. Intellectual Property Rights**
- 5.1 All intellectual property rights of either Party shall remain the exclusive property of such Party. In case the specifications are provided by OTK are based on technical information or the know-how of OTK, in whole or in part, then the Supplier shall not have any right to manufacture and/or sell or license the prototypes or products which are based on such technical information or know-how to third parties or otherwise utilize OTK's technical information or know-how without the prior written consent of OTK .
- 5.2 Supplier warrants that the Goods delivered hereunder shall not infringe any patent, trademark, trade name, copyright and/or any other third party intellectual property right and Supplier shall, at its expense, defend, indemnify and hold OTK harmless from and against any and all loss, damage, expense or liability that may result by reason of any such infringement or alleged infringement, including, without limitation, attorneys' fees incurred by OTK in its defense. In the event that any of the Goods delivered to OTK hereunder become the subject of an alleged infringement of a patent and/or any other third party intellectual property right, Supplier shall, at its expense, procure for OTK the right to continue using the Goods or replace or modify the same so that they become non-infringing. Furthermore, Supplier hereby grants OTK at no extra cost a royalty-free, non-exclusive, irrevocable license under any intellectual property rights owned or controlled by Supplier in connection with OTK's use of the Goods.
- 6. Confidentiality**
- 6.1 The term "Confidential Information" means all information and materials disclosed by OTK to Supplier, including but not limited to, plans and specifications; know-how; engineering data; processes; methods of manufacture; materials handling methods, procedures and improvements; technical specifications and any and all other information and materials relating to the OTK's business. The foregoing shall not apply to information and materials furnished directly or indirectly by OTK hereunder which (i) are known to the public at the time of disclosure to Supplier, (ii) became known to the public after disclosure to Supplier through no fault of Supplier or its Subcontractors, (iii) were rightfully acquired by Supplier from a third party who was lawfully in possession of the information and was under no obligation to OTK or any other party to maintain the confidentiality thereof, or (iv) are required to be disclosed by Supplier by law, regulation or court order (provided, however, if an event described in (iv) arises, then Supplier agrees to provide OTK with written notice of such potential disclosure, and provide OTK with a reasonable opportunity to secure the confidential protection thereof).
- 6.2 Supplier shall treat all Confidential Information as strictly confidential from the date of receipt, and Supplier shall not disclose any Confidential Information to any third parties. Upon OTK's request, Supplier shall promptly deliver to OTK or, at OTK's option destroy, all Confidential Information without retaining any copies, extracts or other reproductions of such materials, and shall certify the return or destruction of such Confidential Information in writing to OTK. All Confidential Information given by OTK to Supplier shall be used by Supplier exclusively for the performance of its obligations under the Individual Contract.
- 6.3 The obligations of confidentiality described and set forth herein shall survive any termination or expiration of this Agreement for three years.
- 7. Liability**
- 7.1 Supplier shall indemnify and hold harmless OTK from and against all liabilities, costs, losses, damages, third party claims, injuries, judgments, settlements costs or expenses, including but not limited to attorneys' fees arising out of or in connection with Supplier's breach of any contractual duties under these T&Cs and/or the Individual Contract and/or the delivery of non-conforming Goods hereunder.
- 7.2 The Parties' liability is limited in accordance with the following: The Parties' liability for loss or damage is limited to EUR 80,000 or 20% of the value of the relevant Individual Contract, whichever is higher, unless the loss or damage is caused by the Parties' negligence in which event the Parties' liability is limited to 5 million euro per event. The limitations of liability set out above do not apply in case of the Parties' gross negligence or intent.
- 7.3 The Supplier shall from conclusion of an Individual Contract until the end of the warranty period set out in this Individual Contract, keep and maintain liability insurance (including global coverage for product liability) on customary terms and conditions in the European Union with an amount insured of not less than 5 million euro per event. Upon request the Supplier shall prove insurance coverage according to the above.
- 8. Parties Contacts**
- Notices and other communications made with respect to this Agreement shall be given in writing to the contact persons mentioned in the Individual Contract.
- 9. Force Majeure**
- 9.1 If by an impediment beyond parties' control which could not have taken into account at the time of conclusions of the Individual Contract and the consequences of which could not reasonably have been avoided or overcome, such as acts of God, acts or orders of any kind of any governmental authority, war, riots, lock-out, strikes, either Party is unable in whole or in part to carry out its duties and obligations on its part herein contained, such Party shall not be deemed to be in breach of contract during the continuance of such inability. The affected Party shall notify the other party immediately in writing, but not later than within 14 calendar days after occurrence of the Force Majeure Event. The Parties shall use all reasonable efforts to remedy with all reasonable dispatch the cause or causes preventing the Party

- from carrying out its duties and obligations hereunder.
- 9.2 Supplier shall not be entitled to, and hereby expressly waives recovery of, any compensation or damages of any kind incurred or suffered by reason of a force majeure event contemplated herein.
- 10. Termination**
 OTK and Supplier shall be entitled to extraordinarily terminate an Individual Contract immediately without notice for good cause. Good cause shall be especially given in the event
- that the other party is declared bankrupt, files for bankruptcy, goes into or is placed in liquidation, enters into an arrangement with its creditors or becomes insolvent; or
 - that the other party is in material breach of its obligation under these T&Cs/the Individual Contract or relating thereto and fails to remedy such breach within thirty (30) days after the receipt of written notice thereof by the aggrieved party; or
 - Supplier is in breach of its obligation under Section 2.7 of these T&Cs; or
 - the fulfillment of this Agreement by the other party is materially delayed due to a force majeure event for more than sixty (60) days.
11. **Governing Law, Dispute Resolution**
- 11.1 The Individual Contract shall be governed by the laws of Sweden excluding the choice of law provisions therein (excluding the UN Convention on Contracts for the International Sale of Goods - CISG).
- 11.2 Any dispute, controversy or claim arising out of or in connection with the Individual Contract, or the breach, termination or invalidity thereof, shall be finally settled by arbitration in accordance with the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The arbitral tribunal shall be composed of three arbitrators. The seat of arbitration shall be Stockholm. The language to be used in the arbitral proceedings shall be English.
- 12. Miscellaneous**
- 12.1 Supplier must not assign any of its rights and claims under this Agreement to third parties without the prior written consent of OTK.
- 12.2 Supplier acknowledges that OTK will record personal data received from Supplier in accordance with applicable data protection laws.
- 12.3 Supplier shall not make news releases, publicize or issue advertising pertaining to any Individual Contract without first obtaining the written approval of OTK.
- 12.4 OTK's failure to insist on performance of any term, condition, or instruction, or to exercise any right or privilege included in these T&Cs, or its waiver of any breach, shall not thereafter waive any such term, condition, instruction, and/or any right or privilege.
- 12.5 Supplier is an independent contractor and nothing in these T&Cs will make either Party the employee, agent or legal representative of the other for any purpose. These T&Cs does not grant either Party any authority to assume or to create any obligation on behalf of or in the name of the other.
- 12.6 The Individual Contract and these T&Cs contain the entire agreement between the Parties with respect to the subject matter hereof.
- 12.7 Any and all amendments and supplements hereto shall require the written form. This shall also apply to an amendment of this written form clause itself.
- 12.8 Should any part of these T&Cs be null or voidable, this shall not affect the validity of these T&Cs as a whole. Instead of the part without legal effect, what most closely reflects what the Parties would have agreed if they had known of the absence of legal effect and has legal effect shall be deemed to have been agreed. The same shall apply mutatis mutandis if anything has been omitted from these T&Cs.
- 12.9 Upon reasonable notice OTK or its duly authorized representative shall have the right to audit at Supplier's facility Supplier's compliance with any of the provisions of these T&Cs. Supplier shall bear any costs and expenses arising out of or in connection with such audit.