

## **HUNGARY TERMS AND CONDITIONS OF SALE (2 March 2015)**

### **1. Definitions.**

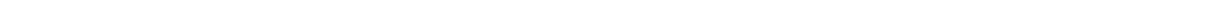
The term "Arconic" means Arconic Inc. or any Arconic Inc. subsidiary, joint venture or affiliate trading as Arconic or Arconic Forgings and Extrusions as is named in the written acceptance of an "Order" as defined below. The term "Customer" means the individual, corporation or other legal entity that has submitted an Order to Arconic. The term "Order" means Customer's expressed desire, whether oral or written, to procure Goods or Services from Arconic. The term "Goods" means all of the products and materials that Customer desires to purchase from Arconic. The term "Contract Documents" means, in relation to each contract for the sale of Goods or the provision of Services by Arconic to Customer (a) the Terms (b) any Order acknowledgement, advice, despatch note or other delivery documentation or invoice given by Arconic to Customer in respect of the contract and (c) any other document expressly accepted by Arconic in writing as forming part of the contract, and 'Contract Document' shall mean any one of them. The term "Services" or "Hirework" means the processing by the Company of materials in accordance with the requirements of Customer, as set out in the Contract Documents. The sale of Goods or the provision of the Services that are the subject of the Order will be governed by these terms ("**Terms**").

### **2. Acceptance.**

All Orders are subject to acceptance by Arconic in its sole discretion and as evidenced in a written order acknowledgement, and a Contract (hereinafter referred to as "**Contract**") will only come into being upon acceptance in writing by Arconic of the Order. These Terms are the sole terms and conditions that will govern the Contract to the exclusion of any other terms and conditions that the Customer seeks to impose or incorporate, or which are implied by trade, custom, practice or course of dealing. Customer's agreement will be conclusively established: (i) when Customer has received and retained these Terms for ten (10) days without objection, or (ii) by Customer's acceptance of all or any part of Goods. Arconic objects to any terms or conditions which differ from, or are additional to, those stated in these Terms. After acceptance of an Order by Arconic, the Contract Documents may only be modified by a writing signed by a director of Arconic.

### **3. Price.**

- i. If the Goods are sold by reference to Arconic's published list price, the price payable for the Goods shall be the ruling price as published in the price list current at the date of dispatch of the Goods from Arconic's works. In other cases, the price will be as stated in the order acknowledgement or other written confirmation of the Order supplied by Arconic.
- ii. The foregoing prices do not include any value added tax or any other tax or duty related to the manufacture, transportation, export, import, sale or delivery of the Goods or provision of Services (if any) and all such taxes in effect or hereafter levied, shall be paid by Customer. All prices are net and are in Hungarian Forint unless otherwise agreed. Quotations in a currency other than Hungarian Forint are based on the rate of exchange at the time of quoting and unless otherwise stated the price may be subject to revision up or down if any different rate of exchange is ruling at the date of invoice.



#### **4. Payment.**

- a) Subject to credit approval, payment terms are net thirty (30) days from either delivery of the Goods, or when they are made available to the Customer pursuant to the Incoterm used. Whenever reasonable grounds for insecurity arise with respect to due payment by Customer, Arconic may demand different terms of payment from those specified herein and may demand assurance of Customer's due payment. Any such demand may be oral or written and Arconic may, upon the making of such demand, stop production and suspend shipments hereunder. If, within the period stated in such demand, Customer fails or refuses to agree to such different terms of payment or fails or refuses to give adequate assurance of due payment, Arconic may, at its option: treat such failure or refusal as a cancellation of that portion of the Contract which has not been fully performed; or, resume production and ship the Goods subject to a security interest and/or demand immediate payment against tender of documents of title.
- b) If any payment is not made on or before the date for payment, Arconic reserves the right to charge interest on the amount outstanding at the rate of 2% per month from the due date for payment until the day payment is received by Arconic. Such interest shall run from day to day and shall accrue after as well as before and judgment and shall be compounded monthly on the amount overdue until payment thereof.
- c) Time of payment by the Customer shall be of the essence of the Contract.
- d) Arconic shall, in respect of all unpaid debts from the Customer, have a general lien on all Goods and property of the Customer (whether or not paid for), in the possession of Arconic.
- e) Arconic shall be entitled, upon expiration of 14 days' notice, to dispose of such Goods or property as it thinks fit and to apply the proceeds towards such debts.
- f) In the event Arconic makes a payment to Customer in connection with a Contract, Customer agrees:
  - i. All payment to Customer shall be made payable to Customer in the country in which Customer does business or resides.
  - ii. All payments to Customer shall be made by telegraphic transfer /wire transfer or by an Arconic cheque delivered to Customer in the locations where it does business or resides.
  - iii. Arconic has the right to suspend or withhold payment pending an investigation into any suspected violation of the prohibition of bribery provisions contained herein, or violation of any applicable anticorruption law and/or the United States Foreign Corrupt Practices Act.
  - iv. Under no circumstances shall Arconic issue any payment under any Contract directly to any owner, director, officer, employee, representative agent or consultant of Customer.
  - v. No request for cash payments or cash equivalents will be accepted by Arconic.

#### **5. Delivery and Delays.**

Customer agrees that any delivery dates specified in the Order, or in an acknowledgement provided by Arconic, are approximate only and, unless otherwise expressly stated, time is not of the essence for delivery. Arconic shall use reasonable efforts to fulfill the relevant Order in



accordance with the estimated shipping date provided by Arconic. Arconic shall neither be responsible for any delays in fulfilling all or part of any Contract nor liable for any losses or damages resulting from any delays (unless otherwise required by Hungarian law). No delay shall entitle the Customer to reject any delivery or further installment or part of the Contract of any other Order from the Customer. Should expedited delivery be agreed and necessitate overtime or additional costs, such costs and additional expenses shall be paid by the Customer.

## 6. **Force Majeure.**

Arconic will not be liable for delays in fulfilling any Contract or failure in the performance of any of its obligations caused by anything beyond the reasonable control of Arconic, including, but not limited to, accidents, labor disputes or disruptions, strikes, terrorist acts, war, fires, floods, or other acts of God, acts or omissions of Customer, freight embargoes, delays in transportation or lack of transportation facilities, priorities required, requested, or granted for the benefit of any governmental authority, restrictions imposed by applicable law, or anything else similar to the foregoing causes.

## 7. **Equipment/Tooling.**

- a) Any equipment, including jigs, dies and other non-recurring tooling ("**Tooling**") which Arconic constructs or acquires for use exclusively in the production of Goods or the provision of Services for Customer under these Terms will be and remain Arconic's property and in Arconic's possession and control. If Customer pays for or otherwise reimburses Arconic for Tooling, then Arconic will use such Tooling solely to produce Goods or to provide the Services for Customer under the Contract and for no other customer. Arconic will require written permission from Customer to use Tooling to produce Goods for a third Party.
- b) When for three consecutive years Customer places no orders with Arconic for Goods to be produced or Services to be provided using the Tooling, then Arconic may, by written notice to Customer at Customer's last known address, notify Customer of Arconic's intent to dispose of such Tooling. If Customer fails to place an order with Arconic for Goods to be produced or Services to be provided using such Tooling within 30 days of such notice, then Arconic may dispose of such Tooling in its sole discretion without liability to Customer.
- c) Any materials or equipment (including but not limited to supplies, patterns, dies, tools, drawings or equipment) furnished by Customer to Arconic will be carefully handled and stored by Arconic while in Arconic's possession. Arconic shall be entitled to assume that any such materials or equipment is in good condition, true to drawings and entirely suitable to Arconic's methods of production, and for the production of the Goods in the quantities required. While Arconic uses all reasonable efforts to verify such material or equipment supplied by the Customer, no responsibility is accepted by Arconic for their accuracy. All replacements, alterations and repairs to Customer's materials or equipment shall be paid for by the Customer. Over a period of three consecutive years, if Arconic does not accept any Orders from Customer for Goods to be made or Services to be provided with any such equipment or materials, Arconic may, by written notice to Customer, request Customer to make arrangements for the removal of such materials or equipment at Customer's expense. If Customer fails to reply or otherwise dispose of the equipment or materials within thirty days of the date of Arconic's notice, Arconic may make such use of or dispose of such equipment or materials in its sole discretion without liability to Customer.



## **8. Goods for Development or Testing.**

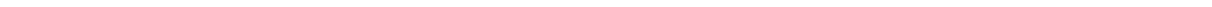
IF GOODS ARE SAMPLES OR FOR DEVELOPMENT OR TESTING, EXCEPT TO THE EXTENT SUCH EXCLUSION IS PREVENTED BY LAW ARCONIC MAKES NO WARRANTIES OF ANY KIND OR NATURE FOR SUCH GOODS AND ARCONIC EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE WARRANTY OF SATISFACTORY QUALITY AND THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE. ANY SUCH GOODS AND RELATED SERVICES PROVIDED HEREUNDER ARE PROVIDED "AS IS, WITH ALL FAULTS." Notwithstanding any other provision in these Terms, Arconic has no obligation, liability or responsibility with regard to any sample, developmental or test Goods supplied by Arconic under any Order. Customer will indemnify, defend and hold Arconic harmless from all claims, demands, and causes of action asserted against Arconic (including reasonable attorney's fees), including without limitation claims for personal injury, illness, death or loss or damage to physical property, resulting from or arising out of Customer's purchase, use or sale of sample, developmental or test Goods.

## **9. Hirework.**

- a) Hirework services and work by Arconic involving the use of Customer's materials is undertaken by Arconic only on the express understanding that Arconic cannot be responsible for any distortion, faults or defects which appear or develop during, or are caused by the work, howsoever arising, even resulting from any fault or negligence or mistake of Arconic (unless otherwise required by Hungarian Law). Arconic gives no guarantee or warranty of any kind but subject to the availability of capacity and facilities it will endeavour to correct any such distortion, faults or defects at Customer's expense and risk.
- b) Customer warrants that the materials delivered for the Hirework will (i) be prepared and ready for the Hirework; and (ii) not be in a dangerous or defective state.
- c) Unless it is otherwise expressly agreed in writing any waste material resulting from the performance of any hirework shall become the property of Arconic but it is expressly agreed between Arconic and the Customer that Arconic may at any time order the Customer to remove any such waste material and the Customer hereby agrees that on receipt of any such order from the Company it will forthwith comply with such order.
- d) Customer agrees that it will reimburse Arconic for any damage caused to any plant or machinery of Arconic by the material supplied by the Customer to Arconic.
- e) Customer will be responsible for insuring and will maintain at all times insurance for the materials provided by Customer whilst in the possession of Arconic.

## **10. Warranty, Exclusive Remedy.**

- a) Arconic warrants to Customer that Goods manufactured by Arconic and supplied solely for use in commercial applications will be, at the time of shipment, conveyed with good title thereto, free from security interests, liens and encumbrances unknown to Customer. Arconic warrants that the Services will be provided with due care and attention. Arconic also warrants to Customer that Goods manufactured by Arconic and supplied solely for use in commercial applications will, at the time of shipment, conform to the agreed upon specifications and be free from defects in material and workmanship for a period of twelve (12) months from the date of shipment. Customer must make a claim for breach of warranty under this Section 10(a) without delay but prior to expiration of the twelve (12) month warranty period. The foregoing warranty in this Section 10(a) will only apply to Goods that are properly installed,





maintained and/or operated under normal conditions. Arconic will have no liability whatsoever in respect of any defect arising from (i) Customer's specifications, (ii) ordinary wear and tear, (iii) willful damage by Customer or its customers, (iv) negligence on the part of Customer or its customers, (v) abnormal storage or working conditions at Customer's or any of its customers' facilities, (vi) Customer's or any of its customers' failure to follow Arconic's instructions (whether oral or in writing), or (vii) Customer's or any of its customers' misuse or alteration or repair of Goods sold hereunder without Arconic's prior written approval.

- b) Except to the extent such exclusion is prevented by law ARCONIC MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT SUCH AS IS EXPRESSLY SET FORTH IN THIS SECTION 10. ARCONIC MAKES NO WARRANTY THAT GOODS SHALL BE OF SATISFACTORY QUALITY OR FIT FOR ANY PARTICULAR PURPOSE. Arconic makes no warranty whatsoever with respect to Goods manufactured by third party suppliers. Warranties with respect to such Goods are limited to those which are offered by such suppliers and are transferable to Customer.
- c) Arconic's sole liability and Customer's exclusive remedy for any tender of nonconforming Goods or breach of warranty is expressly limited to Customer's choice of (i) the repair of the nonconforming Goods or, in the case of Services, the re-performance of such Services, (ii) the replacement of the nonconforming Goods with conforming Goods at the applicable delivery point, or (iii) the refund of that portion of the purchase price represented by the nonconforming Goods. Any such repair, replacement or refund will be made only upon return of the nonconforming Goods to a location designated by Arconic. Arconic shall pay the transportation costs for returning nonconforming Goods if Arconic inspects the nonconforming Goods, approves of such return and provides shipping instructions to Customer.

#### **11. Inspection, Acceptance or Rejection.**

Where the Contract provides for testing or inspection of the Goods by or on behalf of Customer before delivery (whether at Arconic's site or elsewhere), then Customer shall inspect and/or test the Goods within 7 days of being notified by Arconic that the Goods are available for inspection or testing. If Customer does not inspect or test the goods within the time specified by Arconic in that notice or if within 14 days of such testing or inspection Customer does not give notice to Arconic stating that, and specifying the reasons why, the goods do not comply with the Contract, then Customer shall conclusively be deemed to have accepted that the Goods comply with the Contract Documents and shall not be entitled to reject the goods on the grounds of anything which such inspection or testing has or would have revealed.

#### **12. Limitation of Liability.**

- a) Unless otherwise required by Hungarian Law, Arconic shall not in any circumstances be liable to Customer in contract, tort (including negligence or breach of statutory duty) or otherwise for any of the following losses or damages, whether direct or indirect, arising out of, or in connection with, the supply, non supply or delay in supplying the Goods or the provision of the Services or otherwise in connection with any Contract:
  - i. loss or damage incurred by the Customer as a result of third party claims;
  - ii. loss of actual or anticipated profits;
  - iii. loss of actual or anticipated projects;
  - iv. loss of business opportunity;



- v. loss of anticipated savings;
  - vi. loss of goodwill;
  - vii. injury to reputation; or
  - viii. any indirect, special or consequential loss or damage howsoever caused.
- b) In any event, Arconic's liability to Customer will not exceed the purchase price of Goods or the provision of the Services on which such liability is based. Customer assumes all other liability for any loss, damage or injury to persons or property arising out of, connected with or resulting from the use of Goods or receipt of the Services, either alone or in combination with other products. Customer agrees to obtain appropriate insurance coverage to insure itself against claims and losses in excess of Arconic's maximum aggregate liability under this Section 12. Nothing in the Terms shall operate to exclude any liability that either party may have to the other in respect of any fraudulent statements or acts prior to entry into these Terms.
- c) Any clauses in the Terms operating, or which may operate, to exclude or limit Arconic's liability in any respects shall not operate to exclude or limit any liability of Arconic for death or personal injury caused by Arconic's negligence or otherwise that cannot be lawfully excluded or limited.

### **13. Intellectual Property.**

- a) Customer agrees, for Goods delivered under an Contract, to (i) defend Arconic against charges of infringement or misappropriation of any third party intellectual property to the extent that such charge arises from designs, specifications or instructions furnished or explicitly or implicitly required by Customer; and (ii) indemnify and hold Arconic harmless against any costs associated with any such charges, including but not limited to costs of settling any dispute, and all court, or other alternative dispute resolution, assessed damages and costs.
- b) Customer agrees to provide information and reasonable assistance to Arconic, upon request, to the extent such information and assistance are required by Arconic to defend against any infringement claim.
- c) No right, title or interest in and to any development, invention, or work of authorship conceived or developed by Arconic during the course of performance of any Contract is conveyed to the Customer. The sale of Goods or the provision of the Services covered by any Contract shall not grant to Customer any right or license of any kind under any patent or other intellectual property owned or controlled by Arconic or under which Arconic is licensed, but the foregoing shall not be understood to limit in any way Customer's right to use and sell such Goods, in the event that such Goods as sold hereunder are covered by any such patent.

### **14. Indemnity.**

Customer shall release, hold harmless, indemnify and defend Arconic, its present and future officers, directors, officials, employees, agents, subsidiaries, affiliates, successors and assigns (collectively "Indemnitees") from any liability, including without limitation liability for negligence or strict liability, claims, demands, penalties, fines, forfeitures, damages, losses, suits and costs, including attorneys' fees (collectively "Liabilities"), regardless of the basis of liability or legal principle involved, including without limitation personal injury (including death) or property damage, which any or all of them may suffer, incur, be responsible for or pay as a result of, caused by, arising out of or relating to (i) Customer's design, drawings or specifications given to Arconic by the Customer in respect of Goods produced by Arconic or the



provision of the Services by Arconic for the Customer, (ii) Customer's testing, purchase, use or sale of Goods, (iii) defective materials or products supply by the Customer to Arconic and incorporated by Arconic in Goods produced by Arconic for the Customer or used in the provision of the Services by Arconic or (iv) for any act or omission of Customer or its successors, assigns, agents, representative or employees in connection with the Contract. Customer expressly agrees that Customer will indemnify, defend and hold harmless the Indemnitees in connection with this Section 14 even if any or all of the Liabilities incurred, suffered, paid out or allocated to any or all of the Indemnitees is caused in whole or in part by the active or passive negligence of one or more of the Indemnitees.

**15. Cancellation and Termination of Contract.**

- a) The Customer may terminate the Contract upon sixty (60) days written notice. In such a case, Arconic may assess reasonable termination charges at its discretion.
- b) Arconic reserves the right to decline any Order.
- c) Arconic shall be entitled, without prejudice to its other rights and remedies, either to terminate wholly or in part any or every Contract between itself and Customer or to suspend any further deliveries under any or every Contract in any of the following events:
  - i. if any debt is due and payable by Customer to Arconic but is unpaid;
  - ii. if Customer has failed to provide any advanced payment or security requested by Arconic or a letter of credit, bill of exchange or any other security required by the Contract Documents provided that in such event Arconic's rights of termination or suspension under this Section 15 shall apply only in regard to the particular contract in respect of which Customer shall have so failed;
  - iii. if any guarantee or other security for trading in respect of Customer's obligations under the contract or under the Contract Documents is cancelled, suspended or amended in any respect;
  - iv. if, in the reasonable opinion of Arconic, the delivery (or any steps required in connection with the delivery) would involve a level of risk to the health or safety of any person that would constitute a breach, or potential breach, of any legal obligation by Customer and/or Arconic or would be excessive or unreasonable;
  - v. if Customer has failed to take delivery of the Goods under any contract between it and Arconic otherwise than in accordance with Customer's contractual rights or Customer is otherwise in breach of any such Contract;
  - vi. if Customer becomes insolvent or enters into any composition or arrangement (including a voluntary arrangement) with its creditors or, being a body corporate, has passed a resolution for voluntary winding up except where solely for the purpose of reconstruction or if a petition has been presented for an order for its winding up or for a receiver (including an administrative receiver) or administrator to be appointed or if any such order or appointment is made or if, being an individual or partnership, Customer suspends payment of his or their debts in whole or in part or if an application has been made for an interim order or a petition has been presented for a bankruptcy order or if any such order is made or if Customer, whether or not a body corporate, shall carry out or be subject to any analogous act or proceedings under any law; or



- vii. there is an imposition of any new, additional or increased tax, public charge, freight, tariff or duty which may after the date of the quotation or Contract which is levied on or imposed on the Goods to be sold, or upon any sale, delivery, or other action taken under or in connection with any Contract to which these Sections apply, or upon the export or import of such Goods or materials required to produce the Goods.
- d) Arconic shall be entitled to exercise its rights of termination or suspension under this Section 15 at any time during which the event giving rise to such rights is continuing and has not been remedied and, in the event of a suspension, Arconic shall be entitled, as a condition of resuming delivery under any contract between it and Customer, to require prepayment of, or such security as it may require for the payment of, the price of any further Goods. If Arconic is entitled to exercise its rights of termination or suspension under this Section, Arconic shall further be entitled by notice to Customer to treat all sums which are then due to Arconic under any contract between Arconic and Customer but which are not then payable, as being immediately due and payable.

**16. Delivery, Title and Packaging.**

- a) For sales within Hungary, Goods are sold EXW. For international shipments Goods are sold on a delivered basis and unless otherwise agreed to by the parties in writing all sales shall be DDP. The terms "EXW" and "DDP" as used herein shall have the meaning defined by "Incoterms 2010" published by the International Chamber of Commerce.
- b) If for any reason the Customer is unable to accept delivery of the Goods when the Goods are due and ready for delivery for collection Arconic may arrange for storage of the Goods at the Customer's risk and the Customer shall be liable to Arconic for the reasonable costs (including insurance) of such storage, vehicle or wagon detention or demurrage of ships, in each case, as a consequence of any act or omission of Customer, or its servants or agents or as a result of any special requirement or stipulation not set out in the Contract Documents. This provision is without prejudice to any other right which Arconic may have in respect of the Customer's failure to take delivery of the Goods or pay for them in accordance with the Terms.
- c) Where the Goods are to be collected by Customer within 3 days of being so notified, Arconic may despatch the goods itself at Customer's expense and risk (if an address for delivery of the goods has not been specified by Customer, to such address of Customer as Arconic may in its discretion decide) or store them at Customer's expense and risk, in which case the Goods shall be deemed to have been delivered.
- d) Until Arconic has been paid in full (in cash or cleared funds) for the Goods and until all other monies due or which become due from Customer to Arconic on any account whatsoever have been paid in full (in cash or cleared funds), the following provisions shall apply:
  - i. legal and beneficial ownership of such Goods remain with Arconic;
  - ii. Customer shall have a right to possession (but not ownership) of such goods and shall ensure that the Goods shall be clearly marked and identifiable as being Arconic's property;
  - iii. Arconic may recover all or any part of such Goods at any time from Customer if they are in the Customer's possession and any of the events in Section 15 c) has occurred and for that purpose Arconic, its agents and representatives may enter upon any land or building upon or in which such Goods are situated;





- iv. Customer has a right to dispose of such Goods (as between it and its customers only) as principal in the ordinary course of its business with such right being terminable by Arconic giving to Customer notice at any time and such right being automatically terminated (without notice) upon the happening of any of the events referred to in Section 15 c); and
- v. Arconic shall package the Goods in accordance with applicable industry standards.

**17. Shipments.**

Arconic may make partial shipments and invoice for each such partial shipment separately. Each partial shipment will be deemed to be a separate sale. However, delay in delivery of any partial shipment will not relieve Customer of its obligation to accept delivery of remaining shipments under these Terms.

**18. Tolerance and Tests.**

The Company reserves the right to over- or under-deliver the quantities of the Goods ordered by a margin of up to 5%. Gauges, weights, chemical composition and analysis, quantities and sizes will so far as possible be adhered to but reasonable excesses and deficiencies shall be accepted by the Customer, who shall not be entitled to reject any Goods or to the replacement of any Goods on the ground that they are not precisely as specified. Unless otherwise specifically agreed all tests, test pieces and inspections, whatsoever required by the Customer will be charged extra. Unless specifically requested by the Customer, tests of chemical composition shall be based only on the ladle analysis which shall be final. All tests and inspections (whether or not being a test of chemical composition) shall take place under Arconic's standard testing arrangements, and such test shall be final. All tests are subject to analytical tolerances.

**19. Intellectual Property Rights.**

No right, title, or interest in and to any development, invention, or work of authorship, conceived or developed by Arconic during the course of performance hereunder is conveyed to the Customer. Arconic does not grant to Customer, and nothing contained herein will obligate or be construed to obligate Arconic to grant to Customer any license under any patents or other intellectual property owned by Arconic.

**20. Changes.**

Any changes requested by Customer as a condition of entering into a Contract or subsequent to entry into a Contract which change the basis of Arconic's quote, including the terms and conditions of these Terms, will be subject to the consent of Arconic and an equitable price adjustment as determined by Arconic.

**21. Subsidiaries and Affiliates.**

To the extent permitted under Hungarian Law, any Contract may be performed, and all rights hereunder against Customer may be enforced, by Arconic or any one or more of Arconic's affiliates.

**22. Customer Part, Specification or Drawing Number.**

Any such number appearing on a Contract or in writing is for identification purposes only and does not require that Goods be produced in accordance therewith.

**23. Compliance.**

Customer warrants that it will comply with all applicable laws in Hungary and Europe and also any applicable United States federal, state and local laws and regulations including import and export laws and regulations and with all applicable export and import licenses and their provisos. Customer specifically represents and warrants that it shall, where applicable to the Goods, comply with the import and export laws and regulations of the United States of America, including but not limited to, the U.S. Foreign Corrupt Practices Act and all other applicable anti-corruption laws and regulations, the International Traffic in Arms Regulations ("ITAR") of the United States Department of State and the Export Administration Regulations ("EAR") of the United States Department of Commerce. The Customer is advised that the Goods may be controlled for export purposes. Each party acknowledges that in no event shall Arconic be obligated to take any action that Arconic believes, in good faith, would cause it to be in violation of any laws, regulations, rules, decrees or directives applicable to Arconic or Customer.

**24. Anticorruption.**

a) **Prohibition of Bribery** It is the intent of the parties that no payments or transfers of value shall be made that have the purpose or effect of public or commercial bribery, or acceptance of or acquiescence in extortion, kickbacks, or other unlawful or improper means of obtaining business or any other benefit. Customer represents that it, and each of its owners, directors, officers, employees and every other person working on its behalf has not and shall not, in connection with the Contracts or transactions governed by these Terms or in connection with any other business transactions involving Arconic, make any payment or facilitate or transfer or cause to transfer anything of value, directly or indirectly to:

- i. any governmental official or employee (including any employee of a government corporation or public international organization);
- ii. any political party, official or worker of a political party, or candidate for public office;
- iii. any other person or entity if such payment or transfer would violate any applicable anti-corruption law; or
- iv. an intermediary for payment to any of the foregoing.

b) **Customer Representations and Warranties** Customer hereby represents, warrants and covenants to Arconic as follows:

- i. Customer and its owners, directors, officers, employees and agents have not and will not pay, offer, promise to pay or authorize the payment directly or indirectly of any monies or anything of value to any government official, representative or employee or to any political party, holder of public office, or candidate for public office in connection with any Contract. Customer acknowledges that, for purposes of this Section 24, a "government official" may include an employee or official of a commercial entity in which a government body has an ownership interest or exerts control over such entity, as well as officials, representatives and employees of public international organizations;
- ii. None of Customer's owners, directors, officers, partners, employees, agents or close family members thereof, i.e., spouses, children, parents and siblings, is presently (or has been within the last year) a government official, representative



or employee of any political party, holder of public office, or a candidate for public office. Customer covenants that it will inform Arconic promptly in writing, if any such person assumes such a position while at the same time remaining one of Customer' owners, directors, officers, partners, employees or agents;

- iii. All information that has been submitted by Customer to Arconic is complete, truthful and accurate. Customer will not prepare, approve or execute any contract or other document or make any record that Customer knows or has reason to know is false, inaccurate or incomplete;
- iv. Customer is organized for legitimate business purposes and not for any unlawful purpose, and has only lawful sources of funding;
- v. Customer does not have any existing or potential relationship creating a conflict of interest that restricts or is otherwise in conflict with its ability to perform hereunder;
- vi. Customer is fully qualified to perform hereunder in accordance with the laws, regulations, rules, decrees and other directives applicable to it. Customer has obtained licenses or completed such registrations as may be necessary or required to perform as set forth in these Terms;
- vii. Neither Customer nor any of its owners, directors, officers, partners, employees or agents has been convicted of or pleaded guilty to an offense involving fraud, corruption or moral turpitude, nor has any such person been listed by any government agency as debarred, suspended, proposed for suspension or disbarment or otherwise ineligible for government procurement programs; and
- viii. While conducting business with Arconic, Customer agrees to give prompt written notice to Arconic in the event that Customer breaches any of the warranties, representations or covenants contained herein. Customer further agrees to give prompt written notice to Arconic about any potential violation of any of the warranties, representations or covenants contained herein of which it obtains knowledge or becomes aware or has reasonable grounds to believe has occurred.

Notices under the foregoing provision shall be directed to:  
Vice President and Chief Ethics and Compliance Officer

Arconic Inc.  
390 Park Avenue  
New York, New York 10022  
USA  
Telephone: 212-836-2739  
Facsimile: 212-836-2807

Customer agrees to cooperate fully and in good faith with Arconic and its representatives in the event of any actual or potential violation by it, or any of its owners, directors, officers, employees or agents, of the Bribery Act 2010 or the Foreign Corrupt Practices Act or any other applicable anti-corruption law, or any warranties, representations or covenants contained herein, including providing access for interviews to its owners, directors, officers, employees and agents.

- c) **Books and Records/Audit Rights** While conducting business with Arconic, and for a period of five (5) years thereafter, Customer agrees to maintain records that accurately and

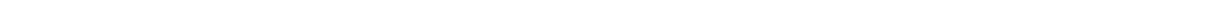


completely document all services performed; all payments received or made (whether in kind or in cash); and all expenditures incurred by Customer on behalf of Arconic. If Customer is considered to be an "Intermediary," as defined by Arconic's Anti-Corruption Policy, Arconic may, from time to time, upon written notice, audit Customer's books and records to the extent that such books and records relate to Customer's business with Arconic hereunder to confirm Customer's compliance with this Section 24. Customer agrees to furnish promptly to Arconic any additional information it may reasonably request to verify compliance with this Section 24.

- d) **Termination** In the event of a breach of any of the representations, warranties or covenants made by Customer herein (including but not limited to the failure to pay any invoice when due), Arconic may, in its sole discretion and in addition to any other remedies it may have under law or these Terms, terminate any Contracts without notice. Any claims for payment by Customer with regard to Contracts or transactions under these Terms, including claims for services previously performed, shall be automatically terminated and cancelled, and all payments previously paid by Arconic to Customer shall be refunded to Arconic by Customer. Customer shall further indemnify and hold Arconic harmless against any and all claims, losses or damages arising from or related to such breach and/or termination of the Contracts.
- e) **Annual Certification and Training** Customer agrees that it will certify annually in writing, at the request of Arconic, its compliance with all applicable laws in connection with its performance hereunder. In addition, it will certify annually (in the form of a Certificate to be provided by Arconic), that it has not (and to its knowledge no other person, including but not limited to every director, officer, employee, representative, consultant or agent of Customer) made, offered to make, or agreed to make any loan, gift, donation, or other payment, directly or indirectly, whether in cash or in kind, to or for the benefit of any government official, political party, party official, candidate for political office, or faction of any government subdivision, or any individual elected, appointed or otherwise designated as an employee or officer thereof to secure or retain business, influence any decision or obtain any benefit for Arconic. Customer agrees to promptly re-certify to the above upon request of the Arconic. Customer also will complete periodic anti-corruption training provided by Arconic.
- f) **Review and Acknowledgement** If Customer is an Intermediary for purposes of Arconic's Anti-Corruption Policy, Customer represents that it has received a copy of Arconic's written Anti-Corruption Policy (a copy of which also may be obtained from Arconic upon request). Customer certifies that it fully understands the Policy, agrees to take no action that might be a violation of the Policy and will ensure that it, its officers, directors, and employees act in compliance with the Policy.
- g) **Indemnity** Should Customer's actions, or the actions of its owners, directors, officers, employees, representatives, consultants or agents, result in the assessment of any fine, penalty or disgorgement of profits against Arconic for violation of applicable laws, Customer hereby agrees to indemnify Arconic therefor.

## 25. **Assignment.**

Arconic has chosen to conduct business with Customer on the basis of Customer's experience and qualifications, including Customer's reputation for ethical business conduct and compliance with applicable laws. Thus, no rights or obligations of Customer under these Terms, including but not limited to the right to receive payment or Goods or Services, shall be assigned, transferred or subcontracted to any third party without the prior written consent of Arconic. Customer shall not utilize or employ any agent, individual or entity in connection with Customer's performance of its duties under these Terms without the express prior written



approval of Arconic. Contracts may not be assigned by Customer without the prior written consent of Arconic.

**26. Electronic Commerce.**

At Arconic's request, Arconic and Customer will facilitate business transactions by electronically transmitting data. Any data digitally signed pursuant to this Section 26 and electronically transmitted will be as legally sufficient as a written, signed, paper document exchanged between the parties, notwithstanding any legal requirement that the data be in writing or signed. Each authorized representative of a party will adopt a unique, verifiable digital identification consisting of symbols or codes to be transmitted with each transmission. Use of the digital identification will be deemed for all purposes to constitute a "signature" and will have the same effect as a signature on a written document.

**27. Hungarian Civil Code Art. 6:78**

The parties acknowledge and agree that the Customer and Arconic have informed one another about any general Terms that: (i) deviate from common contracting practice; (ii) significantly differ from the Customer's contract intentions; or (iii) differ from terms and conditions used in any prior commercial relationships. With respect to any terms and conditions used in any prior commercial relationships between Customer and Arconic that are not contained in the Terms, such previously used terms and conditions will only become a part of the current contract between Customer and Arconic if the Customer provides separate notification of those prior terms and conditions, and such prior terms and conditions are expressly accepted in writing by Arconic.

The Customer declares, based upon Article 6:78 of the Hungarian Civil Code, that it is not aware of any provisions in the Terms that significantly deviate from common contracting practices and/or from its contracting intentions. Customer also acknowledges that with respect to any terms and conditions used in any prior commercial relationships between Customer and Arconic that are not contained in the Terms, it has received the necessary separate notification about such terms and conditions and it expressly accepts those.

**28. Miscellaneous.**

- a) These Terms are governed by and will be construed in accordance with Hungarian law. If any controversy or claim arises out of or relates to these Terms or the Order, or the breach, validity or interpretation of the Terms, the controversy or claim shall be settled pursuant to binding arbitration in the Court of Arbitration attached to the Hungarian Chamber of Commerce and Industry, Budapest in accordance with its own Rules of Proceedings. The award of the arbitrator shall be final and binding. This procedure shall be the exclusive means of settling any disputes that may arise under the Terms or the Order. There shall be only one (1) arbitrator and the language to be used in the arbitral proceeding shall be English.
- b) No provision hereof and no breach of any provision shall be deemed waived by reason of any previous waiver of such provision or of any breach thereof.
- c) These Terms may be modified only by a writing signed by both parties.
- d) The invalidity, in whole or in part, of any provision will not affect the remainder of such provision or any other provision. If any provision or application of these Terms is invalid or unenforceable, then a suitable and equitable provision will be substituted for such provision in order to carry out, so far as may be valid and enforceable, the intent and purpose of these Terms including the invalid or unenforceable provision.





- e) These Terms and any of Arconic's attachments hereto and made a part hereof, constitute the entire understanding between the parties and supersede any previous oral or written understandings with respect to the subject matter hereof.
- f) These Terms are written in English and the English language version shall be the sole document used to interpret the rights, obligations, and liabilities of the parties.
- g) The Contract, the sale of Goods or provision of Services, and these Terms shall not create or give rise to any third party rights. No third party shall have any right to enforce or rely on any provision of these Terms that does or may confer any right or benefit on any third party, directly or indirectly, expressly or impliedly.