



**ARCONIC**

**ATEP CANADA TERMS AND CONDITIONS OF SALE (April 2017)**

1. **Definitions.** The following terms and conditions (these “Terms”) shall be the sole terms and conditions governing the sale of Goods by RTI-Claro, Inc. or any of its Affiliates doing business as Arconic Titanium & Engineered Products (“ATEP” or “Seller”) to the purchaser (“Customer,” as further defined below) of such Goods. The term “Affiliate” means, with respect to any entity, any other entity that directly or indirectly controls, is controlled by or under common control with such entity. The term “Customer” means the individual, corporation or other legal entity that has submitted an Order to purchase Goods to ATEP. The term “Order” means Customer’s expressed desire, whether oral or written in any form, to procure Goods from ATEP. The term “Goods” means all of the products, materials and related services that Customer desires to purchase from ATEP. The sale of Goods that are the subject of the Order related hereto will be governed by these Terms. The identity of the Customer, the identity of the Goods being purchased, the quantity of Goods being purchased, the destination for delivery of the Goods, and other material information concerning Customer’s order shall be set forth in Customer’s purchase order and provided to ATEP.
2. **Acceptance.** All Orders are subject to acceptance by ATEP. These Terms are the sole terms and conditions that will govern the Order. Customer’s agreement will be conclusively established: (i) when Customer has received and retained these Terms for ten days without objection, or (ii) by Customer’s acceptance of all or any part of Goods, whichever is earlier. ATEP objects to any terms or conditions which differ from, or are additional to, those stated in these Terms. After acceptance of an Order by ATEP, the Order and these Terms may only be modified by a writing signed by an authorized ATEP representative.
3. **Price.** In spite of any prices previously set forth on Customer’s or ATEP’s documents, ATEP shall set the price and charges for each shipment of Goods at the time of each shipment. The foregoing prices do not include applicable sales or use taxes (if any) and all such taxes in effect or hereafter levied, shall be paid by Customer. All prices and payments are in U.S. dollars unless otherwise specified in a writing between the parties.
4. **Payment.** Payment terms are net thirty days from the date listed on ATEP’s invoice (unless otherwise specified on ATEP’s invoice). Whenever reasonable grounds for insecurity arise with respect to due payment by Customer, ATEP 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 ATEP 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, ATEP may, at its option, treat such failure or refusal as a repudiation of the portion of the Order which has not been fully performed, or may resume production and may make shipment under reservation of possession or of a security interest and may demand payment against tender of documents of title.

In the event ATEP makes a payment to Customer in connection with an Order, Customer agrees:

- a) All payments to Customer shall be made payable to Customer in the country in which Customer does business or resides.
- b) All payments to Customer shall be made by wire transfer or by an ATEP check delivered to Customer in the locations where it does business or resides.
- c) ATEP 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 Foreign Corrupt Practices Act (US), the Corruption of Foreign Public Officials Act (Canada) and all applicable similar laws.
- d) Under no circumstances shall ATEP issue any payment under any Order directly to any owner, director, officer, employee, representative agent or consultant of Customer.



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e) No request for cash payments or cash equivalents will be accepted by ATEP.

5. **Delays.** ATEP shall use reasonable efforts to fill the relevant Order in accordance with the estimated shipping date provided by ATEP. ATEP shall not be responsible for any delays in filling any Order nor liable for any losses or damages resulting from such delays. Orders shall not be subject to cancellation for delay.

6. **Force Majeure.** ATEP will not be liable for delays in filling any Order or failure in the performance of any of its obligations caused by anything beyond the reasonable control of ATEP, including, but not limited to, accidents, labor disputes or disruptions, strikes, terrorist acts, shortages of labor, materials, fuel or power, fires, floods, or other acts of God, acts or omissions of Customer, delays in transportation or lack of transportation facilities, priorities required, requested, or granted for the benefit of any government, restrictions imposed by legislation or regulations thereunder, or anything else similar or dissimilar to the foregoing causes.

7. **Equipment/Tooling.**

(a) Any equipment, including jigs, dies and other non-recurring tooling (“Tooling”) which ATEP constructs or acquires for use exclusively in the production of Goods to Customer under these Terms will be and remain ATEP’s property and in ATEP’s possession and control. If Customer pays for or otherwise reimburses ATEP for Tooling, then ATEP will use such Tooling solely to produce Goods for Customer under the Order and for no other customer. ATEP 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 ATEP for Goods to be produced using the Tooling, then ATEP may, by written notice to Customer at Customer’s last known address, notify Customer of ATEP’s intent to dispose of such Tooling (if permitted by law). If Customer fails to: (i) place an order with ATEP for Goods to be produced using such Tooling; or (ii) arrange for the transfer (at its own cost) of any Tooling that it has paid for or reimbursed ATEP for, in both cases within 30 days of such notice, then ATEP may dispose of such Tooling (if permitted by law) in its sole discretion without liability to Customer.

(c) Any materials or equipment owned or furnished by Customer will be carefully handled and stored by ATEP while in ATEP’s possession. Over a period of three consecutive years, if ATEP does not accept any Orders from Customer for Goods to be made with any such equipment or materials, ATEP may, by written notice to Customer, request Customer to make disposition thereof at Customer’s expense. If Customer fails to reply or otherwise dispose of the equipment or materials within thirty days of the date of ATEP’s notice, ATEP may make such use or disposition of said 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, ATEP MAKES NO WARRANTIES OF ANY KIND OR NATURE FOR SUCH GOODS AND ATEP EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THE WARRANTY OF MERCHANTABILITY AND THE WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE OR THE WARRANTY AGAINST LATENT DEFECTS. ANY SUCH GOODS AND RELATED SERVICES PROVIDED HEREUNDER ARE PROVIDED “AS IS, WITH ALL FAULTS.”

Notwithstanding any other provision in these Terms, ATEP has no obligation, liability or responsibility with regard to any sample, developmental or test Goods supplied by ATEP under any Order. Customer will indemnify, defend and hold ATEP harmless from all claims, demands, and causes of action asserted against ATEP (including reasonable attorney’s fees and extra-judicial fees and expenses), 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. **Warranty, Exclusive Remedy.**

(a) ATEP warrants to Customer that Goods manufactured by ATEP 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



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encumbrances unknown to Customer. ATEP also warrants to Customer that Goods manufactured by ATEP and supplied solely for use in commercial applications will, at the time of shipment, conform to the agreed upon specifications for a period of one year from the date of shipment (at which point this warranty will expire). Customer must make a claim for breach of warranty under this Section 9(a) prior to expiration of the one-year warranty period, notwithstanding any longer statute of limitations. The foregoing warranty in this Section 9(a) will only apply to Goods that are properly installed, maintained and/or operated under normal conditions. ATEP 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 working conditions at Customer's or any of its customers' facilities, (vi) Customer's or any of its customers' failure to follow ATEP'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 ATEP's prior written approval.

(b) ATEP MAKES NO OTHER WARRANTY, EXPRESS OR IMPLIED, EXCEPT SUCH AS IS EXPRESSLY SET FORTH IN THIS SECTION 9. ATEP MAKES NO WARRANTY THAT GOODS SHALL BE MERCHANTABLE OR FIT FOR ANY PARTICULAR PURPOSE OR ANY WARRANTY AGAINST LATENT DEFECTS. ATEP 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) ATEP's sole liability and Customer's exclusive remedy for any tender of nonconforming Goods or breach of warranty is expressly limited to ATEP's choice of (i) the repair of the nonconforming Goods, (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 ATEP. ATEP shall pay the transportation costs for returning nonconforming Goods if ATEP inspects the nonconforming Goods, approves of such return and provides shipping instructions to Customer.

10. **Inspection, Acceptance or Rejection.** Inspection, acceptance or rightful rejection of Goods shall be made within ten days after Customer's receipt of Goods.

11. **Limitation of Liability.** In no event will ATEP will be liable for any incidental, consequential, indirect, special, contingent, or punitive damages, or lost profits, arising out of or relating to these Terms, any breach of warranty, including tender of defective or nonconforming Goods, breach of contract, fault, tort, strict liability or otherwise. In any event, ATEP's liability to Customer will not exceed the purchase price of Goods 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, either alone or in combination with other products. This disclaimer and exclusion shall apply even if the express warranty set forth above fails of its essential purpose.

12. **Intellectual Property.**

(a) Customer agrees, for Goods delivered under an Order, to (i) defend ATEP 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 ATEP 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 ATEP, upon request, to the extent such information and assistance are required by ATEP to defend against any infringement claim.



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(c) The sale of Goods covered by any Order shall not grant to Customer any right or license of any kind under any patent or other intellectual property owned or controlled by ATEP or under which ATEP 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.

13. **Indemnity.** Customer shall release, hold harmless, indemnify and defend ATEP, 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 and expenses (extra-judicial fees and expenses) (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, testing, purchase, use or sale of Goods, or (ii) for any act or omission of Customer or its successors, assigns, agents, representative or employees. Customer expressly agrees that Customer will indemnify, defend and hold harmless the Indemnitees in connection with this Section 13 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.

14. **Rescheduling, Cancellation and Termination of Order.** Customer may not reschedule or terminate any Order without the written consent of ATEP. If ATEP consents to a Customer request to reschedule Goods, additional charges may apply. If ATEP consents to a termination, reasonable termination charges computed by ATEP shall be assessed in connection with such termination. ATEP reserves the right to cancel any Order placed by Customer without any liability to Customer.

15. **Delivery, Title and Packaging.**

(a) The delivery terms for any Goods sold shall be as stated in ATEP's order acknowledgement, or as otherwise agreed in writing by the parties.

(b) For domestic shipments, title and ownership with respect to Goods shall remain with ATEP until it has been paid in full by the Customer for the Goods. For international shipments, title and ownership with respect to Goods sold shall remain with ATEP until Goods (i) reach international waters if Goods are transported by overseas vessel, or (ii) have been cleared for export at the frontier of the country of export if Goods are transported by means other than overseas vessel.

(c) ATEP shall package and transport Goods (as applicable and as agreed to by ATEP) in accordance with applicable industry standards.

16. **Shipments.** ATEP 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.

17. **Confidentiality.** Unless otherwise agreed to in a written non-disclosure agreement executed by the parties, ATEP will not be bound by any obligations of confidentiality or non-disclosure. No right, title, or interest in and to any development, invention, or work of authorship, conceived or developed by ATEP during the course of performance hereunder is conveyed to the Customer. ATEP does not grant to Customer, and nothing contained herein will obligate or be construed to obligate ATEP to grant to Customer any license under any patents or other intellectual property owned by ATEP.



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

19. **Affiliates.** Any Order may be performed (subject only to Customer pre-qualification requirements), and all rights hereunder against Customer may be enforced, by ATEP or any one or more of ATEP's Affiliates.

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

21. **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 transactions governed by these Terms or in connection with any other business transactions involving ATEP, 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 (hereinafter defined) for payment to any of the foregoing.

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

(1) 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 Order. Customer acknowledges that, for purposes of this Section 21, 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;

(2) 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 ATEP promptly in writing, if any such person assumes such a position while at



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the same time remaining one of Customer' owners, directors, officers, partners, employees or agents;

(3) All information that has been submitted by Customer to ATEP 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;

(4) Customer is organized for legitimate business purposes and not for any unlawful purpose, and has only lawful sources of funding;

(5) 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;

(6) 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; and

(7) 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.

(8) While conducting business with ATEP, Customer agrees to give prompt written notice to ATEP in the event that Customer breaches any of the warranties, representations or covenants contained herein. Customer further agrees to give prompt written notice to ATEP 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:

Director Global Compliance

RTI-Claro, Inc.

c/o Arconic Inc.

201 Isabella Street

Pittsburgh, Pennsylvania 15212-5858

Telephone: (412) 553-4203

Facsimile: (412) 553-4180

(9) Customer agrees to cooperate fully and in good faith with ATEP 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 Foreign Corrupt Practices Act, the Corruption of Foreign Public Officials 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 ATEP, 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 ATEP. If Customer is considered to be an "Intermediary," as defined by ATEP's Anti-Corruption Policy (available at <http://www.arconic.com/global/en/investors/anti-corruption-policy.asp>), ATEP may, from time to time, upon written notice, audit Customer' books and records to the extent that such books and records relate to Customer's business with ATEP hereunder to confirm Customer's compliance with this Section 21. Customer agrees to furnish promptly to ATEP any additional information it may reasonably request to verify compliance with this Section 21.

(d) **Termination.** In the event of a breach of any of the representations, warranties or covenants made by



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Customer herein, ATEP may, in its sole discretion and in addition to any other remedies it may have under law or these Terms, terminate any Orders without notice. Any claims for payment by Customer with regard to Orders or transactions under these Terms, including claims for services previously performed, shall be automatically terminated and cancelled, and all payments previously paid by ATEP to Customer shall be refunded to ATEP by Customer. Customer shall further indemnify and hold ATEP harmless against any and all claims, losses or damages arising from or related to such breach and/or termination of the Orders.

(e) **Annual Certification and Training**. Customer agrees that it will certify annually in writing, at the request of ATEP, 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 ATEP), 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 ATEP. Customer agrees to promptly re-certify to the above upon request of the ATEP. Customer also will complete periodic anti-corruption training provided by ATEP.

(f) **Review and Acknowledgement**. If Customer is an Intermediary for purposes of ATEP's Anti-Corruption Policy, Customer represents that it has received a copy of ATEP's written Anti-Corruption Policy (a copy of which also may be obtained from ATEP 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 ATEP for violation of applicable laws, Customer hereby agrees to indemnify ATEP therefor.

22. **Assignment**. ATEP 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, shall be assigned, transferred or subcontracted to any third party without the prior written consent of ATEP. 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 ATEP. Orders may not be assigned by Customer without the prior written consent of ATEP.

23. **Electronic Commerce**. At ATEP's request, ATEP and Customer will facilitate business transactions by electronically transmitting data. Any data digitally signed pursuant to this section 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.

24. **Miscellaneous**.

(a) Orders will be governed by, and interpreted in accordance with, the laws of the Commonwealth of Pennsylvania, USA, excluding Pennsylvania's rules relating to choice and conflict of laws.

(b) No provision hereof and no breach of any provision shall be deemed waived by reason of any previous



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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 ATEP'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) Any and all disputes between the parties that may arise pursuant to this Order will be heard and determined before an appropriate federal, or state court located in Pittsburgh, Pennsylvania, USA. The Customer hereto acknowledges that such court has the exclusive jurisdiction to interpret and enforce the provisions herein, and the Customer waives any and all objections that it may have as to personal jurisdiction or venue in any of the above tribunals.

(g) The parties to these Terms have agreed that these Terms as well as any document or instrument relating to them be drawn up in English only. Les parties aux présentes ont convenu que les présentes ainsi que tous autres actes ou documents s'y rattachant soient rédigés en anglais seulement.