

General Terms and Conditions of Purchase LB MetallService AG

1. General

Hempel Special Metals AG ("Buyer" or individually "we") order exclusively on the basis of these General Terms and Conditions of Purchase (GTCP).

The GPC apply to all - also future - purchase, work and service contracts concluded by the buyer and their execution by the supplier, even if no express reference is made to them in the order. By accepting an order or commissioning, the supplier agrees to the validity of the GPC as amended from time to time.

Deviations from these General Terms and Conditions of Purchase - in particular the validity of the supplier's General Terms and Conditions of Sale - require our express written confirmation. This shall also apply in particular if we accept the supplier's delivery without reservation and/or make payments without objection in the knowledge that the supplier's terms and conditions conflict with or deviate from these GPC.

Irrespective of translations of these GTCS, the German language version shall be binding.

2. Orders

All offers and cost estimates of the suppliers are free of charge for us and subject to change. Quotations from suppliers are binding for the supplier for a period of at least four weeks from receipt by us.

Orders must be placed in writing (including e-mail) to be binding. Our orders constitute purchase requests and must be accepted by the supplier in writing (incl. by e-mail) within 5 working days of receipt of the order by means of an order confirmation. After expiry of the deadline, we shall no longer be bound by the purchase request.

Any deviations or additions to our order contained in the supplier's order confirmation shall be clearly highlighted and shall only become valid with the express and written consent of the purchaser.

3. Dispatch/delivery

Unless expressly agreed otherwise in writing, the transfer of benefit and risk shall take place after the delivery has arrived at the agreed destination or, if acceptance is required there, after it has been carried out. Unless expressly agreed otherwise, for example by reference to relevant Incoterms 2020, the supplier shall bear all costs and risks until delivery at the agreed destination.

The Purchaser may determine the type of packaging and shipping. If we do not do so, the supplier shall choose a type of packaging and shipping that is specifically favorable and suitable for each good. In the event of non-compliance with this obligation, all costs incurred, such as replacement for damaged goods, additional freight, disposal and the like, shall be borne by the supplier. All packaging shall be taken back by the supplier free of charge at the request of the buyer.

On the day of dispatch of the consignment, a dispatch note shall be sent to us stating the order number, the quantity and the exact order of goods. The consignment itself must be accompanied by a delivery note in simple form, the dispatch note and additional written documents (e.g. material certificates, tools, analysis values, weight lists, insurance policies, bills of lading, etc.).

The supplier is obliged to carry out an adequate outgoing inspection which corresponds to the international ASTM, ASME, AMS, ISO, EN, DIN standards as well as our specifications or those of our customers (depending on which specifications are communicated to the supplier) with regard to qualitative characteristics.

4. Delivery periods and dates

The delivery dates agreed in the order are binding. The supplier is fully liable for damages resulting from late delivery. If the delivery dates are exceeded, the supplier shall be in default without further ado and we shall in particular be entitled to set a period of grace and, after its unused expiry, to insist on performance or to cancel the entire order free of charge, whereby the supplier shall reimburse any payments already made and compensate us for any damage resulting from the failure to perform the contract.

The supplier undertakes to inform us immediately in writing, stating the reason and the presumed duration, of all circumstances which could affect timely delivery as soon as these circumstances become apparent.

Should force majeure, outbreak of war, natural disasters, strikes, lockouts, official measures and other unforeseeable, unavoidable, serious events beyond the control of the purchaser and for which it

is not responsible result in the delivery not being accepted / delivered, the purchaser shall be released from the respective purchase obligation for the duration of the disruption and to the extent of its effect. The buyer shall adjust its obligations to the changed circumstances in good faith. This may mean that we may waive the remaining deliveries in whole or in part or demand the continuation of the deliveries even after the disruption has been remedied. In such a case, the supplier shall store the delivery item at its own expense and risk.

5. Partial, excess, short and premature deliveries

We are not obliged to accept partial deliveries which have not been agreed. We are entitled to use partial deliveries without thereby acknowledging the contractual conformity of the delivery. If partial deliveries have been agreed, the buyer may determine the order of the same. For each individual consignment, the supplier shall send a delivery note on the day of dispatch stating the date of the order, the order number and the quantity. Partial and remaining deliveries shall be marked separately as such.

The purchaser is entitled to reject excess and short deliveries outside the tolerances customary in the trade. Deliveries with deviations of more than 5% from the order quantity shall in any case require the prior written consent of the buyer. We are not obliged to accept an early delivery. In any case, however, the supplier shall bear the storage costs and the risk until the due date.

6. Prices, invoice and payment

Invoicing by the supplier shall always be in Swiss francs or in the currency specified in the order. The determination shall be binding on the supplier and value added tax, if applicable, shall be shown separately.

The price for the delivery shown in each case in the order (order confirmation) is a fixed price and applies to the delivery free delivery address. It includes packaging, freight, customs duties, insurance and the like. Value added tax shall be charged in addition and shall be shown separately on the order confirmation as a percentage and amount.

The supplier's invoice shall be submitted separately to the buyer as a single copy, stating the order number with date. If these details are missing or incorrect, the conditions for default of payment shall not apply until these details have been clarified.

Payment of the invoice amounts shall be made at the discretion of the Purchaser within 10 days with a 2% discount or within 30 days net, unless otherwise agreed. These periods shall commence on the date of receipt of the invoice by the purchaser, but not before delivery of the delivery items in accordance with the contract, with presentation of all related documents. In the event of acceptance of early deliveries, the due date shall be based on the agreed delivery date.

In the event of defective delivery, the buyer shall be entitled to withhold payment until proper performance or other mutually agreed settlement between the parties. We shall also be entitled to set off any claims which the supplier may have against us against any claims which we may have against the supplier.

Our payment shall be deemed to have been made on the value date of the debit to our bank account.

The offsetting of claims of the supplier against the buyer is only permissible in the case of undisputed or legally established claims of the supplier.

The supplier may only exercise its right of retention against the buyer if the supplier's counterclaim on which the supplier bases its right of retention is based on the same contract and is undisputed or legally established.

7. Retention of title

Title to the delivered goods shall pass to the Purchaser upon delivery. Any extended or expanded retention of title by the supplier is excluded.

8. Warranty

The Supplier warrants (and represents) to the purchaser during the statutory warranty period from the date of delivery that the subject matter of the contract does not exhibit any characteristics which reduce its value or suitability, and that it conforms to the contractually agreed specifications and requirements, as well as to the purchaser's recognizable purpose of use and application.

In particular, the supplier warrants that the delivery items comply with the latest state of science and technology and all applicable statutory provisions, in particular safety regulations, including all applicable EU directives and do not infringe any better rights of third parties (e.g. copyrights) worldwide.

9. Notification of defects

We are entitled to give notice of defects during the entire warranty period. The obligation to give notice of defects pursuant to Art. 201 CO is excluded. The condition, type, quantity and weight of a delivery shall be determined by the values ascertained by the buyer (or representatives designated by us) during the incoming goods inspection (if such an inspection is carried out), unless the supplier proves an improper incoming goods inspection.

Upon delivery from the supplier, we shall carry out a random visual inspection (i.e. without measurements or the like) of the material and the packaging if the material passes through our warehouse in transit or is stored there. In the case of direct delivery to our customers (drop shipment), we shall not be subject to any inspection obligation.

In any case, the supplier is obliged to carry out an adequate initial inspection which corresponds to the current standards as well as our specifications or those of our customers (depending on which specifications are communicated to the supplier) with regard to qualitative characteristics.

10. Defect rights

In the event of a breach of these obligations by the supplier, the rights of the buyer, in particular to rescission, reduction and compensation, shall be determined in accordance with the statutory provisions.

In addition, the buyer shall be entitled, at the supplier's expense,

- (i) to demand, at the supplier's expense, the repair of the defective items or their subsequent delivery within a period of grace specified by us;
- (ii) to remedy defects of delivery items itself or to have them remedied or to procure replacement deliveries from third parties (right to substitute performance).

Acceptance of the delivery and payment shall not be deemed as acknowledgement of proper delivery.

11. Product liability

Insofar as the supplier is responsible for product damage, it shall be obliged to compensate the purchaser for all damage incurred or to indemnify the Purchaser against claims for damages by third parties upon first request insofar as it has caused the damage within its sphere of control and organization and would itself be liable in the external relationship.

The supplier shall be obliged to insure itself against the risks associated with product liability for the delivery items supplied by it to an appropriate amount and to provide the purchaser with written evidence of the insurance cover on request.

12. Trademarks/Advertising/Confidentiality/etc.

We are entitled to use trademarks/logos/identifiers and other data affixed to or contained in the delivered products themselves or on their original packaging as well as on the advertising material handed over by the supplier for additional advertising purposes. The supplier shall, if requested, provide us with information, samples and advertising materials of the products to be delivered free of charge.

The copyright to all documents such as plans, sketches, calculations and specifications handed over to the supplier by us or our customers before or after conclusion of the contract shall remain with us. The supplier shall use such documents exclusively for the purpose of executing our order. Without our prior written consent, he is not entitled to manufacture products for third parties on the basis of such documents or to copy, reproduce or in any way bring such documents to the attention of third parties who have not been directly commissioned by the supplier to execute the order or parts thereof. Publications for advertising purposes in which the purchaser is mentioned may only be made with our written consent.

The supplier undertakes to treat the content of the business relationship as well as all documents made available in the course of the contract negotiations as confidential.

13. Legal provisions, environment and social standards

The legal provisions, requirements and regulations applicable at the place of destination shall be fully complied with by the supplier.

The supplier acknowledges that the purchaser may or must undertake vis-à-vis its customers (in particular also public procurement bodies) to comply with a particularly high standard of environmental protection and social standards. The supplier shall inform the purchaser in writing prior to order confirmation if particularly high standards with regard to environmental protection and social standards cannot be met. Furthermore, the supplier explicitly undertakes to use natural resources in a sustainable manner, to pollute the environment as little as possible and to dispose of waste in an environmentally friendly manner. Written evidence must be made available upon request.

14. Final provisions

Should this agreement be or become legally ineffective in whole or in part, the remaining provisions shall remain unaffected. The parties undertake to replace a provision with a valid provision that comes as close as possible to the economic purpose of the invalid provision. The same shall apply in the event of a loophole.

Delayed or (even partial) failure to exercise rights on the part of a party shall not be deemed a waiver of such rights and shall not lead to their forfeiture.

The supplier undertakes to take all necessary measures to avoid corruption and violations of anti-trust law. In the event of non-compliance with this obligation, the supplier shall pay the purchaser liquidated damages in the amount of 10% of the total remuneration per violation. The right to claim further damages is reserved. The Supplier acknowledges that a breach will generally lead to premature termination of the contract for good cause by the Purchaser.

Swiss law shall apply to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods of 11 April 1980 ("Vienna Sales Convention").

Disputes arising from this contract shall be subject to the jurisdiction of the courts having jurisdiction over our registered office in CH-5401 Baden. We shall remain entitled to pursue or sue the Supplier in any other place provided by law.

Baden, January 2022

LB MetallService AG