1 DEFINITIONS AND INTRODUCTION

"we", "us" and "our" refers to the applicable purchaser among Hoeganaes Corporation, Hoeganaes Specialty Metal Powders, LLC or other members of the GKNPM Group.

"GKNPM Group" means all direct or indirect subsidiaries of the GKN Powder Metallurgy Division of GKN.

Our agreement with you (the "Contract") consists of: (i) any duly signed contract which applies to the purchase of goods and/or services from you; (ii) any purchase order or delivery schedule order (an "Order") that we issue to you; (iii) these General Purchasing Conditions; (iv) any specifications and safety, health and environmental requirements of Our Property; (v) any supplementary terms and conditions of purchase that we agree with you; and (vi) our quality and other requirements or procedures which can be found at https://www.gknpm.com/, or are otherwise made available to you. If there is any inconsistency between any parts of the Contract, the parts placed higher in the list will prevail.

2 YOUR CONDITIONS EXCLUDED

If you seek to impose additional or different terms on our purchase, they will not form part of the Contract and are excluded and rejected by these General Purchasing Conditions,

3 DELIVERY

3.1 Time of the essence. You must deliver goods and/or services that we order in accordance with the delivery terms and dates set out in the Contract. If any goods and/or services are not delivered on time or are delivered incorrectly, we may terminate the relevant Order.

3.2 Goods must be delivered DDP (as defined in current Incoterms), or as otherwise specified in the Contract. Ownership of the goods you deliver will transfer to us when you deliver the goods.

3.3 All goods must be packaged so as to protect them adequately before, during and after delivery and, if we require, each delivery shall be accompanied, in a form acceptable to us, by a certificate of conformity and/or an up-to-date material safety data sheet.

3.4 Delay or failure in performance may be excusable only for natural disasters, governmental restrictions, war or civil unrest, and only to the extent they are unavoidable, unless we are delinquent, delay is beyond your reasonable control, and you give us prompt written detailed notice.

4 QUALITY, REJECTION AND INDEMNITY

4.1 Any supplies you must be: (i) of satisfactory quality (which may be defined on GKN’s Supplier Portal and/or in our customers’ quality requirements); (ii) fit for their normal purpose and any specific purpose we inform you about or which you ought reasonably to know; (iii) free from defects in design, manufacture, and workmanship; and (iv) free from any anomalousities.

4.2 Any services supplied by you must be: (i) performed efficiently, safely and competently by suitably qualified and experienced personnel, in conformity with any applicable industry code of practice; and (ii) of the quality which would reasonably be expected from a skilled and experienced operator providing equivalent services in the same circumstances.

4.3 Any goods or services (and any associated technology) supplied by you must: (i) comply with all applicable legal requirements and regulations, including those relating to transportation, health, safety and the environment; (ii) not infringe the intellectual property rights of any third party; (iii) comply with any other requirements referred to in the Contract; and (iv) conform to any sample approved by us.

4.4 We may but are not obliged to inspect and test the goods delivered by you and may reject and return (at your risk and expense) any goods that fail to conform with the terms of the Contract. You must replace such rejected goods within a reasonable time (being not more than 15 days after notice of rejection) with goods which comply with the Contract.

4.5 You will reimburse, indemnify and (upon request) defend each member of the Group for all losses, damages, costs, and expenses (including reasonable legal fees, court costs and third party claims) arising out of such negligence or omission by you, or your employees, agents or subcontractors in supplying goods and/or services pursuant to the Contract.

5 INVOICING AND PAYMENT

5.1 We will pay you the price set out in the Contract (which stated price includes delivery charges and any sales tax) for the goods and/or services delivered in accordance with the Contract. You may only invoice us after delivery of the goods and/or services ordered by us and in accordance with any payment schedule in the Contract.

5.2 Invoices must show: the date of delivery, order number, delivery address and description of goods and/or services delivered, and must be sent to the invoice address specified in the relevant Order.

5.3 Unless otherwise set out in the Order, payment will be due from us within 90 days of the Thursday following the end of the month of receipt by us of a validly issued invoice.

5.4 We may deduct from the price of the goods and/or services ordered by us any sums due to the Group under the Contract or any other contract between you and the Group.

6 CONTINGENCY AND INTELLECTUAL PROPERTY

6.1 You must not disclose to any other person or entity any confidential information belonging to the Group or any of its divisions, customers or suppliers or collaboration partners (including, without limitation, this Contract, specifications, forming and manufacturing processes, know-how, designs and information) or use such information for any purpose except for the supply of goods and/or services to us or as expressly authorised in writing by us. You must return to us such information and any copies thereof.

6.2 You, on request, transfer to us, free of charge and free from encumbrances, any documents, specifications, plans, drawings, samples, information or goods created or prepared during performance by you or your employees, subcontractors and consultants, which we may use without any charge.

6.3 Intellectual property rights in any information, documentation, prototypes or toolsing provided by us to you shall remain owned by us or our customers or our suppliers and shall only be used for the sole purpose of supplying goods and/or services to us. If any intellectual property rights are created or generated from such information, documentation, prototypes or tooling or in performing the Contract then such rights shall be owned by us.

7 OUR PROPERTY

7.1 This section relates to all property (including tooling of any kind) and any related information, documentation and intellectual property rights therein: (i) purchased by us and/or manufactured by you pursuant to an Order, (ii) provided by us to you for use in the supply of goods and/or services or for any other purpose, whether or not customised for that purpose, and (iii) at your expense.

7.2 As between you and us, Our Property (and any scrap resulting from it) is solely owned by us and we shall keep title to it at all times. If we disagree as to who owns the Property, you shall be responsible for all costs, fees, duties and expenses related to it.

7.3 Where you are in possession of Our Property it is on a fiduciary basis as our bailee and you have no rights in it. You have a revocable non-exclusive license to use Our Property at your premises only for performing the Contract until we request its return, which we may do at any time. You may not sub-lease the use of Our Property or use it for any other purpose.

7.4 Risk in Our Property passes to you on delivery and remains with you until it is returned to us. While Our Property is in your possession or control you shall: (i) be responsible for any loss or damage to it (other than fair wear and tear); (ii) provide and use it at your premises in a proper and secure manner; (iii) clearly label or identify it as belonging to us; (iv) maintain insurance against all loss or damage; (v) use it with care; (vi) inspect and maintain it in good order and condition; (vii) immediately notify us if it is lost, damaged or seized; (viii) not modify or tamper with it, or attach it to anything, or anything to it; (ix) not permit possession of it or allow anyone else to do so; (x) give us full and unrestricted access to it on reasonable notice during ordinary business hours; (xi) make it available for collection by us at any time and allow us access to your premises to remove it; and (xii) not copy or reproduce it in any way.

7.5 We have an exclusive, irrevocable option to purchase all bespoke tooling owned by you and put in place specifically for the production of goods pursuant to the Contract at its present value.

8 TERMINATION

8.1 We may cancel all or any part of any Order or terminate the Contract by giving you at any time prior notice of our intention and in such event we will not be liable to pay the price for such goods or services.

8.2 We may terminate the Contract: (i) immediately if you or your parent company become subject to a bankruptcy, insolvency or similar process or procedure; (ii) provided by us to you for use in the supply of goods and/or services pursuant to the Contract and in such event we will not be liable to pay the price for such goods or services.

8.3 Termination of all or part of an Order or the Contract will not prejudice accrued rights. You will be liable for all damages arising from any breach.

8.4 You may be required to continue to supply spare parts and related services up to 3 years after termination or expiry of the Contract.

9 GENERAL

9.1 You and your suppliers must comply with all applicable laws, regulations and codes and also with the requirements of the GKNPM Supplier Code of Conduct available at https://www.gknpm.com/salespurchase/purchase/gkn-pm-supplier-code-of-conduct.pdf.

9.2 We have the right to visit your premises on reasonable notice to audit and ensure compliance.

9.3 You and your contractors shall abide by the requirements of 41 CFR sections 60-1.4(a), 60-300.5(a) and 60-741.5(a). These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, or national origin. Moreover, these regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, national origin, protected veteran status or disability.

9.4 You must provide us with any information we request relating to the goods and services supplied by you, or your parent company.

9.5 You and your employees, agents and subcontractors must abide by applicable site rules and safety rules when on our property and you shall provide evidence of your applicable insurance and name us as additional insured.

9.6 Our rights or remedies under the Contract do not limit any of our other rights or remedies, whether under the Contract or otherwise.

9.7 You will not be entitled to transfer or subcontract any of your rights or obligations under the Contract without our prior written consent. Each company within our Group shall have the benefit of the Contract and may purchase goods and/or services pursuant to the terms of the Contract.

9.8 Any failure or delay by us to enforce or partially enforce any provision of the Contract shall not be a waiver of any of our rights under the Contract.


10 LAW AND JURISDICTION

10.1 The Contract shall be exclusively governed by the laws of the State of Michigan (without regard to the conflict of its laws). If you are incorporated or otherwise located inside in any state in the United States or the Western Hemisphere, the Federal Court for the Eastern District of Michigan (and if no federal jurisdiction, then state courts located in Oakland County, Michigan) shall have exclusive jurisdiction to settle any disputes or claims that arise out of or in connection with the Contract or its subject matter ("Claims") and each party waives any right to a trial by jury, and objection to proceedings have been brought in an inappropriate forum. If not, any Claims shall be referred to and finally resolved by arbitration in New York, New York, under the rules of the American Arbitration Association by one or more arbitrators appointed in accordance with those rules. The language of the arbitration shall be English.