

**GENERAL CONDITIONS OF PURCHASE**Code: GTC-01
Version: 05Applicable to: European Procurement Services Organisation
Approved by: European Director of ProcurementEffective date:
18.04.2008
Last revision date:
29.08.2011

1. Definitions; agreed terms: The term “Buyer” means Alcoa Inc. or any company that is (a) a subsidiary or an affiliate of, or is related to, Alcoa Inc. and (b) the entity procuring goods, or for whose account goods are being procured, hereunder. The term “Supplier” means any individual, corporation or other entity that is to perform, or provide the goods, under this Purchase Order. Purchase Order (“PO”) means these General Conditions of Purchase, the Purchase Order and any other documentation which is specified in the Purchase Order. The term “goods” means all items, materials, equipment, labor or other services that are the subject of this purchase.

Where these Terms and Conditions are attached to a contract, references herein to a PO shall as necessary be deemed to be references to that contract.

2. Conditions and acceptance of the PO: All orders are placed subject to the conditions set forth or referred to in this PO, which will apply notwithstanding and to the exclusion of any provisions to the contrary in the Supplier’s conditions of sale or otherwise.

Except otherwise established in any specific agreement with Buyer, Supplier is requested to sign and return a copy of this PO within 10 days after receipt. After a 10-day period with no response, or the commencement of the provision of the goods, Buyer understands that Supplier agrees to all of the terms hereof.

Electronic Acceptance: Buyer and Supplier will facilitate business transactions by electronically transmitting data to each other. Supplier accepts purchase orders produced by Buyer electronically and recognizes them valid without signature.

3. Fixed Price: The price stated in this PO is a fixed and complete price and will not be varied for any reason without the express consent in writing of the Buyer. The price includes all taxes to be paid at the point of delivery.

4. Invoice and payment: Invoices referencing Buyer’s PO number shall be issued by Supplier as of delivery. The invoice should show only the costs/expenditures that are included in the PO. All invoices including items not listed in the Purchase Order and invoices not following the Alcoa Invoicing Requirements may result in the return of the invoice and delay in payment, payments arriving at Supplier’s bank account after the due date as a result of this will not be considered as late payments.

Invoicing and payment references should be stipulated on the PO or in any related contract. Payment does not constitute a waiver of any of the Buyer’s rights comprised in this order.

5. Delivery: Deliveries shall be made at Supplier’s expense to Buyer’s plant or as otherwise indicated. Receipt of the goods does not constitute final acceptance thereof. Delivery of services could be subject to the signature of the Acceptance Protocol/Memorandum, as the case may be. The Buyer will have the right to return or reject non-satisfactory or non-required goods, with any resulting cost paid by Supplier.

6. Inspection: The Buyer or its representatives will have the right at all reasonable times, upon advance notice, to have access to the premises of the Supplier, its subcontractors or suppliers for the purpose of inspecting or testing the goods comprised in this PO during or after manufacture and may reject the goods or require the Supplier to make conforming goods

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if the goods do not conform with this PO. Inspection by the Buyer or its representative will not relieve the Supplier of any liability in respect of any defect.

7. Packaging: Supplier warrants that the goods referred to in this PO will be correctly packaged and provided with the appropriate markings according to any applicable laws and regulations. The Buyer will pay no packing charge unless specified in this PO.

Goods that require special packaging or a particular way of handling must carry the appropriate markings on the packaging, allowing accident-free unloading to take place. The Supplier must also warn the Buyer of any precautions to take when unloading dangerous or radioactive products. For any goods that are defined as hazardous or dangerous under applicable law and/or Alcoa regulations/policies, Supplier will provide Buyer with hazardous warning and safe handling information in the form of a safety data sheet and appropriate labeling for such goods as required by such applicable law and/or Alcoa regulations/policies.

8. Assignment: Supplier will not assign this PO, amounts payable by Buyer to Supplier or any of its rights or obligations hereunder without the prior consent in writing of the Buyer. The relations are *intuitu personae* and cannot be transferred without Buyer's express agreement.

9. Subcontractors: Supplier shall not be entitled to subcontract any part of this PO without the express consent of the Buyer. Notwithstanding this authorisation, the Supplier shall continue to be directly liable vis-à-vis the Buyer with respect to his obligations and those that Supplier subcontracts to its subcontractor.

10. Independent Contractor: Supplier is an independent contractor and not an employee or agent of Buyer. Buyer shall not manage the execution of the PO by Supplier and Supplier will not manage the execution of the PO by Buyer. Supplier has no authority to direct or control the performance of any employee of Buyer. Supplier's role will be that of an adviser and not of master to any Buyer employee. Supplier does not have any Buyer title and Supplier is not eligible for Buyer benefits or employee plans.

11. Changes: Buyer may, at any time, by ten days prior notice in writing, make changes to the quantity of goods ordered (within a range of +/- 10%) as well as the date of delivery (within a range of one week). If any such change causes an increase or decrease in the cost of or time required for the performance at work under this PO, an equitable adjustment, subject to the approval of Buyer, will be made to the price or delivery schedule, or both, and this PO will be modified in writing accordingly. Any other change will require agreement between the parties.

12. Liquidated Damages clause: If the Supplier fails to deliver all or any of the goods comprised in this PO within the time specified in this PO, Buyer shall be entitled to liquidated damages payment of 1% of the PO price per day of delay with an upper limit of 10%, except that a different percentage is agreed and included in this PO. Notwithstanding the above, Buyer, at its option, may also decide to terminate the PO and claim damages under the terms hereof.

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13. Warranty: Supplier warrants that (a) the goods to be supplied to the Buyer hereunder will conform to the specifications, description and drawings, if any, and all agreed conditions set forth or referred to in this PO, (b) such goods will be free from defects in design, material and workmanship, (c) Supplier possesses the skills, professional ability, permits, licenses and certificates necessary to provide the goods, (d) the goods do not infringe any third party intellectual property rights and (e) the goods are not subject to any lien or risk of forfeiture or eviction. Unless a longer period is specified by law or in a separate agreement between Buyer and Supplier, such warranties will extend for a period of eighteen (18) months from the receipt by the Buyer of the goods or one (1) year from the date of installation of such goods, whichever first occurs.

For breach of any of the above warranties and in addition to all other remedies that the Buyer may have, Supplier, at its sole expense, will (a) replace the defective goods with conforming goods at Buyer's Plant where the goods were originally shipped. Only in case that replacement is not feasible within the timeframe required by Buyer or if it is otherwise required under country legislation, at Buyer's option Supplier will (b) repair the defective goods or (c) repay to Buyer the purchase price of the defective goods.

If Buyer selects repair or replacement, any defects will be remedied without cost to Buyer, including but not limited to, the costs of removal, repair and replacement of the defective goods, and reinstallation of new goods. All such defective goods that are so remedied will be equally warranted as stated above. Supplier further warrants that Supplier will convey good title to the goods to be supplied to Buyer hereunder and that such goods will be delivered free from any security interest, lien or encumbrance. Payment will not be claimed by Supplier as a waiver, release or acceptance to avoid fulfillment of the warranty clause.

Should the Supplier fail to remedy any defects or replace defective goods within the time specified by Buyer, the Buyer may order the repairing on his own. Supplier will pay for any resulting costs.

These warranties are in addition to all other warranties, express, implied or statutory, which may be applicable according to the PO. All warranties and other provisions of this paragraph will survive inspection or acceptance of and payment for the goods and completion, termination or cancellation of this PO.

14. Compliance with Law and Buyer Policies: In addition to the Warranty above, Supplier warrants that the PO will be performed in strict compliance with all applicable laws, rules, and standards including Environmental, Health and Safety regulations, and child labor and forced labor laws. If Supplier is granted access to Buyer's facilities for purposes of completion of the PO or inspection of the goods, it will comply with Buyer's internal policies, including those regarding security and safety and the use of protective clothing and apparatus. The Supplier will indemnify the Buyer against all liabilities, costs and penalties on account of the infringement of any applicable law or regulation.

Supplier shall, at its own expense, obtain all the necessary permits, authorizations, licenses, certificates etc. required to perform this PO.

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Supplier has received a copy of Buyer's Business Conduct Policy and acknowledges that it has not paid nor been asked to pay anything of value to or for the benefit of any Buyer employee (or known family member or associate thereof) in connection with the award of this order.

Supplier expressly undertakes to comply with EC Regulation 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). In particular, Supplier undertakes to fully register applicable substances on their own, in preparations or in articles, as defined in said Regulation, to the European Chemicals Agency as established by that Regulation. If Supplier breaches this obligation, it shall indemnify and keep Buyer harmless from any and all damage, cost, expense or liability which Buyer could incur as a consequence of that breach. In addition, in the case of such breach, Buyer shall be entitled to terminate this Agreement.

15. Supplier's Liability and Indemnification:

If the Supplier, its employees, agents, invitees or contractors, enter upon the premises or property of the Buyer in order to do any work hereunder, including but not limited to construction, erection, inspection, delivery, servicing or repairing, the Supplier will indemnify the Buyer, its employees, agents, affiliates and representatives against all liability, claims, costs, and expenses on account of the death of, personal injury or loss or damage to property of any person arising out of or in any manner connected with the performance of such work and caused by an act or omission of the Supplier, its employees, agents, invitees or contractors, in the terms legally established. Supplier will at its own expense defend any and all actions based on such acts or omissions and will pay all charges of attorneys and all costs and other expenses arising out of these obligations of indemnification. The Supplier will procure and maintain such insurance in connection with the work/goods delivered, as the Buyer will specify and consistent with common, prudent industry practice, with coverage written in the manner in which Supplier customarily insures comparable risks or as Buyer specifies whichever is stricter.

16. Insurance: The Supplier shall maintain a Third-Party General Liability Insurance Policy, to cover any liabilities deriving from this PO, which shall include, among others, Employer's Liability Insurance for bodily injury, Commercial General Liability Insurance for bodily injury, personal injury and property damage including coverage for products/completed operations and contractual liability, and Automobile Liability Insurance covering the use of all owned, not-owned and hired vehicles.

The Supplier shall provide evidence from time to time of the aforesaid insurance cover and validity thereof, and that it is up to date with payment of the corresponding premium at the date of entering into this PO and any time thereafter.

The insurance requirements in this clause are separate and distinct from any other obligations of Supplier contained herein, and neither the issuance of any insurance policy nor the minimum limits if specified herein will be deemed to limit or restrict in any way Supplier's liability arising under this PO.

17. Breach and Cancellation: In the event that delivery of all or any of the goods comprised in this PO is not effected within the time specified in this PO, which will be deemed to be of the essence, or in the event of any other breach or non-observance by the Supplier of any other

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terms of this PO, the Buyer will have the right to cancel this PO in whole or in part immediately without prejudice to the right of the Buyer to damages for breach of contract and to a penalty amounting to 5% of the value of the PO unless otherwise specified in the PO. Buyer will also have the right to cancel this PO, in accordance with the applicable legislation, if the Supplier becomes insolvent, bankrupt or goes into liquidation (other than voluntary liquidation for the purposes of merger or reconstruction).

Buyer will have the right to cancel this PO by ten days' prior notice in writing to Supplier at any time prior to complete performance by the Supplier without any liability other than for the payment of the price as set out in the PO for the goods already delivered or those in the course of delivery at the time of the termination notice. The price of such unfinished goods shall be based on the actual out-of-pocket costs and expenses incurred prior to termination provided that the amount to be paid will in no event exceed the total price set out in this PO. Supplier will deliver to the Buyer all such unfinished goods. Nothing herein contained will affect the Buyer's right to cancel this PO under any of the terms of this PO or of these conditions or to pursue other remedies available to the Buyer.

18. Patents: Supplier agrees to indemnify, defend and hold harmless Buyer, its officers, directors, shareholders, employees, representatives, subsidiaries and affiliated companies (collectively "Indemnitees") from and against all liabilities, costs, claims, penalties, forfeitures, causes of action, suits and the costs and expenses incident thereto (including costs of defense, settlement, and attorneys' fees, including the costs of attorneys in the employ of Indemnities), which Indemnities may hereafter suffer, incur, become responsible for or pay out as a direct or indirect result of any allegation, claim or proceeding involving any question of direct, contributing or indirect infringement of any intellectual property rights, including infringement of any patents, trademarks or copyrights by reason of the nature, form or condition of any design, plan, drawing, specification, material, process, article or machine supplied by Supplier in the performance of this PO or by reason of the use, sale, offer to sale and/or import by Buyer of any such design, plan, drawing, specification, material, process, article or machine. Without this list being exhaustive, any documents, drawings, sketch, manufacturing diagrams models, memos or data about any features whatsoever, which are communicated to Supplier shall be deemed to belong or to have been transferred to the Buyer.

19. Non-disclosure: All information disclosed by the Buyer be it orally or in writing including but not limited to patterns, drawings, documents, software or other media containing specifications, information or data will be maintained in confidence by Supplier and either certified to be destroyed or returned in good order and condition on completion of this PO or on prior request by the Buyer and will not be published or disclosed to any third party nor copied or used for any purpose other than the fulfillment of this PO, without the prior written approval of the Buyer.

20. Data, Information, Inventions: Supplier will promptly disclose to Buyer all data, information, discoveries, inventions and improvements, whether or not patentable or copyrightable, including any and all expressions of computer programs, manuals, data bases and all forms of computer hardware, firmware and software, conceived, made, first reduced to practice, or developed by Supplier arising out of the performance of the PO, all referred to in this PO as PO Developments. All PO Developments, including patents and copyrights, will be

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the sole and exclusive property of Buyer in respect to any and all countries, their territories and possessions.

21. Supplier consent: By submitting business contact and personal information about Supplier company and/or its employees (whose consent Supplier will have obtained as necessary) to Alcoa, you consent to the collection, processing, storage, use and transfer of that information to/by Alcoa Inc and all its controlled entities in the United States of America and elsewhere and their authorized third-party contractors or agents (“Alcoa”) for the purpose of: facilitating your business relationship with Alcoa, enhancing Alcoa’s ability to contact you and your employees, and enabling Alcoa to process and track your transactions with it through various internal systems and external third parties (“Purpose”). Alcoa shall use the information supplied solely for the “Purpose” and shall store the data for as long as is strictly necessary to be able to complete the “Purpose”.

22. Supplier equipment: Supplier shall perform the PO by using its own tools and equipments (including those for individual protection), unless otherwise agreed in the PO, and shall be responsible for such equipment and tools whilst on the Buyer premises. Buyer shall in no event be held liable for any damages, theft, fires involving the property and assets of Supplier introduced into the property and appurtenances of Buyer. Upon completion of the performance of the PO or its termination, Supplier shall leave the premises in a tidy state, in proper condition and remove all its tools.

23. Waste Treatment: Supplier shall take care of the collection, storage, handling and transportation of wastes generated from the performance of the PO in accordance with the relevant Alcoa procedure and applicable laws.

24. Company Name/Logo: Supplier may not use the Buyer’s company name and/or logo in any manner other than as may be identified in this PO without first obtaining written permission from Buyer.

25. Force Majeure: Force Majeure shall mean all situations or events which are unpredictable or unexpected or, if they could have been predicted, are unavoidable and beyond the reasonable control of the parties after placement of the PO including but not limited to war, natural disasters, freight embargoes as well as governmental acts or regulations and coercive measures.

If Force Majeure prevents any contractual party to perform its obligations under this PO in whole or in part, it will notify the other party as soon as possible after knowledge of these circumstances unless a different period is agreed in the PO. The notice shall, if possible, state the obligation the party cannot fulfill in part or as a whole provided such assessment is possible at that moment. Should the corresponding contractual party fail to fulfill the requirement of notification, it may not claim Force Majeure.

In the event of Supplier claiming Force Majeure, Buyer shall be entitled to withdraw from the PO in whole or in part without any liabilities.

26. Quality requirements: Supplier shall institute a certified Quality Management System (ISO 9001, ISO TS 16949, AS 9100, ISO 22000, etc.). Documents belonging to this system

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shall be made available to the Buyer. If the Supplier is holder of a certified Quality Management System, the Buyer will be allowed to analyze the capabilities of the Supplier.

27. Total Cost of Ownership: Supplier shall make available to Buyer all documents and information necessary for performing TCO Analysis.

28. Governing Law: The law governing this PO will be the laws of the country of the incorporation of Buyer, and the courts of such country will have jurisdiction for any claims or disputes arising hereunder. The United Nations Convention on Contracts for the International Sales of Goods will not apply to this PO.

29. Order of precedence: In the event of conflict, the terms of the PO shall prevail over those of these General Terms and Conditions of Purchase