

GENERAL DELIVERY AND PAYMENT CONDITIONS

Revised April 2020

days. The Buyer has to use metering facilities properly certified for the measurements. Should any argument arise between the parties in respect of Product's quality and quantity, they may agree in using an outside independent expert. The statements of such expert shall be accepted by both parties.

Article 1 *Applicability

These general delivery and payment conditions (hereinafter: "These Conditions") are applicable to all offers, orders, confirmations and agreements in respect of delivery of forged wheel products (hereinafter: the "Product") by Howmet-Köfém Kft. (8002 Székesfehérvár, Verseci u.1-15.) (hereinafter: "Company") to any party (hereinafter: the "Buyer" or "Customer"). These Conditions shall to the greatest extent possible be equally applicable to any services rendered by Company.

Only these General Delivery and Payment Conditions are applicable to all offers from and all agreements relating to the delivery of goods and services by Company to the buyer of such goods. Contracts and orders are accepted upon and subject to the Conditions printed herein. Unless expressly accepted in writing any discrepancies to these Conditions contained in any written or printed document of the Buyer shall be deemed to be inapplicable.

Variations to These Conditions shall only be effective if such variations have been made in writing and are a part of the agreement.

Article 2 * Offers, orders and confirmations of order

Offers submitted by Company shall not be binding agreements and/or orders shall only be binding on Company if Company has accepted them in writing.

Upon the Buyer's order the payment condition and process included in the Company's offer will be finalized based on the outcome of Buyer's credit rating examination carried out by Company or an expert entrusted by it.

Quotations submitted by Company shall be based on the assumption of execution under normal conditions and on working days, unless otherwise stated.

The agreement between Company and Buyer shall become effective as soon as Buyer has received confirmation of the order from Company, and Buyer does not object thereto in writing within seven days of receipt thereof, or at the latest within ten days from when the confirmation was sent by Company.

Brochures, fitting instructions, instructions for use, drawings, printed material and other additional information are of a non-binding nature and are subject to change without notice. They shall only be binding on Company if they come to constitute part of the agreement and are unconditionally necessary for the performance or if the parties agreed in their use. Company or any of its affiliates/subsidiaries as the case may be, retains the ownership and copyright of all information that is appended by Company to offers and agreements or given verbally, and this information may not be given to or shown to any third party without prior written permission from Company.

Article 3 *Prices

- Subject to These Conditions prices stated in the offer and/or confirmation of the order include standard packaging, but exclude value added tax. If the Buyer wishes a packaging that deviates from the standard packaging and agrees this with Company, then the Buyer will pay the costs of such packaging. Not making use of the standard packaging does not give the right to any discount. Transport charges and insurance costs shall be paid as stated in the agreement.
- In the event that Company accepts amendments to the order after the agreement has taken effect, or if the execution of the order is delayed because Company has not received the information or instruction to be supplied by the Buyer in time or in proper form, Company shall have the right to charge the costs ensuing there from to the Buyer.
- The Buyer acknowledges that the prices agreed upon are based on labor charges, costs of raw materials and other expenses including but not limited to the cost of energy, taxes and duties, transport costs, and on the currency buying rate of CITIBANK as of the date of the confirmation of the order. Notwithstanding the provision of Article 3.1, if one or more of the aforementioned cost factors increase during the performance of the agreement Company shall be entitled to pass on such increases in cost to the Buyer. The Buyer may give written notice to Company within fourteen days of Company having notified the Buyer of the aforementioned increased costs that it does not agree to the increase (except for the case of change in currency rate). On receipt of such notice Company shall have the right to cancel the agreement for any unperformed part thereof without incurring any liability to the Buyer.
- Company has the right to invoice separately for any extra work as soon as the amount to be invoiced is known, Extra work is considered to be all that which Company, after discussion with the Buyer, carries out during the implementation of the agreement which is more than the clearly stated quantities to be supplied and/or applied included in the contract or order confirmation, or activities carried out that are expressly determined to be extra to the order confirmation.

Article 4 *Time of delivery

The delivery date stated by Company shall always apply as approximations but Company shall make all reasonable efforts to be generally expected in the given situation to have the Product delivered by the time of delivery stated in the confirmation of the order. If there is a delay caused by the Buyer's negligence or inappropriate data supply then the time of delivery can be increased with the time of delay.

Article 5 *Delivery, quality and quantity

- The Product shall be delivered by or on behalf of Company within the agreed upon deadline and at the agreed location. Company shall determine the method of transport to meet its delivery obligation, if such an obligation is part of the agreement. If the Buyer has given certain unusual instructions, then carrying out these instructions is entirely at the risk and the cost of the Buyer.
- Unless otherwise agreed Company will hand over the Product packed and weighed in accordance with the individual contract. If the Buyer wishes to perform the quantitative and/or qualitative takeover wholly at the Company premises, such demand shall be timely communicated to Company. The takeover shall be performed using calibrated means of Company. All costs connected with the examination shall be borne by the Customer.
- If the quantitative and/or qualitative takeover is performed outside Company premises, the Buyer has to start the part of quantitative inspection not yet performed and the qualitative inspection without any delay and has to complete this procedure within 8

- In the event of force majeure, and also if a delay is caused by an action or failure to act whether or not reprimandable of the Buyer or a third party, the delivery term shall be extended by the duration of the delay. Company shall inform the Buyer of such delay or extension as soon as reasonably possible.

Article 6 *Risk of loss

The risk of loss for the Product shall be transferred to the Buyer either as soon as the Product is delivered to the Buyer according to Article 5.1 (or as specified in the PO), or if the Buyer does not take the delivery according to Article 9.1.

Article 7 *Reservation of Title

- The title to the Product shall be transferred to the Buyer after delivery of the Product to the Buyer and after Company has received complete payment and the Buyer has completed all other obligations to Company. This shall include payment of interest and costs and claims on account of default of the Buyer in the performance of any agreement.
- Notwithstanding Company's retaining ownership pursuant to Article 7.1, the Buyer shall have the right to process the Product in the course of its normal business operations. The Buyer shall not have the right to transfer ownership of the Product, or to encumber title to the Product as a security to third parties. The Buyer undertakes to store and to guard the Product for Company in a manner recognizable to third parties.
- In the event of the Buyer failing to perform the payment or any other essential obligation toward Company for which reason Company has the right of terminating the contract, upon receipt of termination notice the Buyer has to re-deliver the Product to Company or to ensure that Company representatives enter the Buyer's premises or storage area to take possession of the Product.
- In the event that the Buyer has already sold the Product, or a product of which the Product became part of, to a third party, the Buyer has to offer the transfer of his claims towards this third party to Company for at least the extent of his obligation toward Company.

Article 8 *Payment

- Payment for the Product is to be made in the currency stated in the confirmation of the order without any deduction or settlement on or before the due date stated in the invoice. Payment is considered performed if Company's bank account is credited with the given amount on or before the due date.
- Insofar as the invoiced amount has not, or has not fully, been received by Company on the aforesaid due date, late payment interest at the rate of the then current basic interest of the central bank of Hungary increased with 6%, or in the case of export sales the LIBOR of the given foreign currency increased with 6%, shall be payable by the Buyer on the outstanding amount as from that due date. This shall be claimable by Company without the need for any notice of default being required.
- All judicial and other costs in respect of the actions taken by Company for collection of any outstanding amounts shall be borne by the Buyer.
- Company shall have the right to offset amounts it owes to Buyer with amounts the Buyer owes Company whether payment is due or not. The Buyer shall not have the right to use rights of set-off, adjustments or postponements without the express permission of Company.
- Upon request from Company, the Buyer shall provide security satisfactory to Company for fulfillment of its obligations with respect to any agreement concluded with Company.
- Payments by or on behalf of the Buyer shall serve in sequence as payment of the extra judicial costs of recovery, the judicial costs which it owes, the interest owed by it and then, in sequence of their age, of the outstanding principal amounts, regardless of any statements made to the contrary by the Buyer.

Article 9 *Receipt

- If the Buyer does not take delivery of the Product at the agreed location and/or time, Company shall have the right to transport the Product back and/or to store it at the risk and costs of the Buyer. If the Buyer fails to perform its obligation of receiving within the deadline set by Company then Company shall have the right to fully or partially cancel the contract without prejudice to Company's right to claim full compensation.
- If the Buyer does not take delivery of the Product at the agreed time location and/or, Company shall have the right to demand payment of the agreed price, unless Company has canceled the agreement pursuant to Article 9.1.
- The costs of safeguarding, transport and storage incurred by Company because the Buyer has failed to timely take delivery of the Product or to timely take over the Product shall be borne by the Buyer.

Article 10 *Cancellation

If the Buyer does not provide to Company or does not provide to Company's satisfaction the security demanded pursuant to Article 8.5 or if a moratorium by the courts is granted to the Buyer whether provisional or otherwise, or if the Buyer is declared bankrupt, or the Buyer's business is run down or liquidated, or if Buyer after having been given a notification, fails to meet his payment and/or other obligations towards Company, Company shall have the right to suspend performance of the agreement or to cancel the agreement or the part of it not yet performed without any further notice of default or legal intervention being required and without the Buyer being entitled to any claim for compensation from Company. Company shall however be entitled to claim any costs incurred to date in the performance of such agreement.

Company may at any time, upon giving 1 month written notice to the Buyer, cancel/terminate the agreement. Company shall have no liability whatsoever for such termination/cancellation.

Article 11 *Complaints

1. Any complaints are to be submitted in writing by the Buyer to Company under the following conditions:
 - a) concerning defects externally visible: within eight days from the time the Product was delivered
 - b) concerning defects not visible externally, within forty-eight hours after processing by the Buyer, but not later than within six months from the time the Product was delivered

In respect of externally visible defects and shortages the Buyer should make a note on the forwarding document upon receipt.

2. In no event shall Company be responsible or liable with respect to implied warranty for complaints from the Buyer received on expiry of the five year warranty period.

Article 12 *Warranty
LIMITED WARRANTY for ALCOA® WHEELS¹ (April 2020)

This limited warranty applies to Alcoa Wheels, including forged aluminum wheels for medium duty and heavy duty trucks, truck trailers, bus, RV or motorhome wheels ("Wheels") and Company surface or rim flange treatments applied to the Wheels. The warranties set forth in this document apply to all Alcoa Wheels ("Wheel(s)") manufactured by Company and sold by Company or its authorized distributor to an original purchaser of the Wheel or the end user of the Wheel.

The Company warrants that the Wheel is free from defects in material and workmanship for 60 months from the date of manufacture as shown on the Wheel, provided that the Company does not warrant against and does not provide remedies for immaterial cosmetic defects such as minor discoloration, buffing marks, or nicks.

The Company agrees, without charge, to repair or replace a Wheel that fails in normal use (see the qualifications below) because of defects in material and workmanship.

The Company warrants the Alcoa Dura-Flange® rim flange treatment against wear which creates a sharp edge that would require maintenance for 24 months from the date of manufacture as shown on the Wheel.

The Company warrants the Alcoa Dura-Bright® surface treatments against:

- (i) filiform corrosion (worm or hair like lines, underneath surface protective treatment and emanating from damage to the surface treatment); and
- (ii) blistering or peeling due to loss of adhesion of the surface treatment.

The foregoing Alcoa Dura-Bright surface treatment is warranted for 60 months from the date of manufacture as shown on the Wheel.

If the Alcoa Dura-Flange rim flange treatment or Alcoa Dura-Bright® surface treatment fail in normal use or service (see the qualifications section below) to meet the foregoing warranties on a Wheel, the Company agrees, without charge, to replace the Wheel with a like or similar Wheel. Wheel replacement does not include replacement of items manufactured by third parties, such as tire pressure monitoring systems and valve filters.

Repair or replacement, as provided for in this limited warranty, are subject to adherence to the Company's return material authorization process.

Qualifications:
 Company is not liable for, does not warrant, and will not repair or replace or make adjustment with respect to any Wheel or surface or rim flange treatment on such Wheel that has been subjected to misuse, abuse or improper modification, including the following:

- (a) Using a tire which is oversized according to standards recommended by the Tyre and Rim Association, Inc. or other recognized tyre and rim agencies such as ETRTO (Europe);
- (b) Failure to install, use and maintain Wheels in strict conformity with all applicable laws, regulations, codes and industry standards;
- (c) Loading the Wheel beyond the applicable maximum Wheel load as specified by the Company;
- (d) Inflating tyres beyond the applicable maximum pressure as specified by the Company;
- (e) Except as permitted by the Service Manual for Alcoa Wheels ("Service Manual"), changing the original condition of the Wheel by alteration or by subjecting it to any processing or changes, such as welding, straightening, painting, coating, installing a new tire valve, or heat treating;
- (f) Accidents or abnormal or severe operating conditions including and without limitation tyre fires, brake fires, severe brake system drags or seizures or running with a flat tyre;
- (g) Failure to follow maintenance, instructions or warnings set forth in the Service Manual, Technical Bulletins or other literature for Wheels. Recommended maintenance includes, without limitation, using proper torque, periodic cleaning, polishing, replacing the valve, inspecting rim flange wear and following rim flange maintenance procedures, and periodically inspecting tyres and system components connected to the Wheel for damage and loose lug nuts;
- (h) Nicks, scratches and other surface blemishes resulting from neglect, road salt, harsh conditions, improper maintenance, cleaning, road debris, curbing, accident or operation;
- (i) Rim flange wear (unless the rim flange has been treated with Dura-Flange®);
- (j) Using a spacer or adaptor of any kind;
- (k) Damaging the surface during tyre mounting and installation due to the use of improper tools or balancing with wheel weights;
- (l) Damage due to cleaning with strong chemicals (acids or alkaline) or abrasives, such as abrasive brushes, steel wool, or scouring pads; or
- (m) further use of a Wheel after discovery of a defect.

THERE IS NO WARRANTY THAT THE WHEEL SHALL BE MERCHANTABILITY OR FIT FOR ANY PARTICULAR PURPOSE, NOR IS THERE ANY OTHER EXPRESS WARRANTY, EXCEPT SUCH AS IS EXPRESSLY SET FORTH HEREIN. ANY TERMS OR WARRANTIES IMPLIED BY APPLICABLE LAW ARE, TO THE FULLEST EXTENT PERMITTED BY LAW, EXCLUDED IN RELATION TO THE SALE OF WHEELS. SAVE FOR ANY LIABILITY WHICH CANNOT BE EXCLUDED OR LIMITED BY APPLICABLE LAW, COMPANY SHALL NOT BE LIABLE FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT OR SPECIAL DAMAGES FOR ANY BREACH OF WARRANTY. COMPANY'S LIABILITY AND THE EXCLUSIVE REMEDY AVAILABLE TO ANY PARTY RIGHTFULLY SEEKING WARRANTY COVERAGE IS LIMITED TO REPAIR OR REPLACEMENT OF THE WHEEL AS STATED IN THIS LIMITED WARRANTY.

THIS LIMITED WARRANTY DOES NOT APPLY TO AND COMPANY MAKES NO WARRANTY WHATSOEVER WITH RESPECT TO GOODS MANUFACTURED BY THIRD PARTY SUPPLIERS, SUCH AS TIRE PRESSURE MONITORING SYSTEMS AND VALVE FILTERS. ANY WARRANTIES WITH RESPECT TO SUCH GOODS ARE LIMITED TO THOSE WHICH ARE OFFERED BY SUCH SUPPLIERS AND ARE TRANSFERABLE.

This limited warranty should be used in conjunction with the Service Manual and the Wheels cleaning guides online. The Service Manual contains important safety information and warnings. Failure to read and understand that information may result in serious injury or death.

Copies of the Service Manual and cleaning guide are available free of charge at www.alcoafleet.eu or by contacting Company at the address below:

Howmet-Köfém Kft.
 8000 Székesfehérvár
 Verseci u. 1-15
 Hungary
 Attn: Fleet Service Center

Article 13 *Liability

1. Subject to the provisions of Articles 13.2 - 13.8, inclusive, Company shall be liable for defects in the materials sold which result in the materials not meeting the relevant specification and the composition and processing thereof, unless the choice of material, the composition or processing has been made upon the instructions or specification of the Buyer.
2. Company shall not be liable for possible errors or defects with regard to any design, drawing, brochure or model or to any assistance or advice provided in respect thereof, except concerning the ones that were the basis of its own production, or the design of systems assembled by Company or the Buyer from components produced mainly by Company and in accordance with guidelines issued by Company. Company shall not be liable for normal wear and tear of the Product, for small imperfections and damages, for repairs to the Product carried out by third parties without Company's permission, for incorrect installation, treatment or use of the Product or for faults appearing during or after use of the Product under the conditions and for purposes other than those foreseen by Company during performance of the agreement.
3. Company's liability shall be limited to repair of the Product or price reduction or replacement of the Product. If Company undertakes the repair or replacement of Product proved defective the Buyer shall have to deliver the Product to Company, at Company's expense, according to the instructions by Company. After repair or replacement of the Product Company, at its sole cost, will provide for the delivery of Product to the requested location.
4. If Company, in spite of request relative thereto, does not repair or replace the Product proved defective the Buyer shall have right to cancel the agreement within a reasonable deadline and after having given Company notice of their intention to do so.
5. If the Product or parts thereof have not been manufactured by Company and show material or manufacturing defects, Buyer authorizes Company to assign any of its guarantee or compensation rights legally due from liable third party to the Buyer.
6. The Buyer shall indemnify Company for all claims related to the Product from third parties for which Company is not liable pursuant to These Conditions, including claims concerning product-liability, patents, licenses, models, copyrights or the use of information which has been provided by or on behalf of the Buyer to Company for the performance of the agreement. This obligation to indemnify shall be without prejudice to Company's right of recourse against the Buyer in the event that Company has paid compensation for which the Buyer is liable, or for which the Buyer should indemnify Company, pursuant to These Conditions.
7. Company, its affiliates or its respective employees, officers, directors or members shall not be liable to the Buyer, its affiliates, or their respective employees, officers, directors or members, whether based in contract, in tort (including negligence and strict liability), under warranty, or otherwise, for any consequential, indirect, punitive, incidental, exemplary or special loss or damage whatsoever, including without limitation, loss of use, loss of productive resources, loss of opportunity or anticipated profits, damages to good will or reputation or punitive or speculative damages.

Article 14 *Force Majeure

In addition to the provisions of law the following circumstances – besides others - shall constitute force majeure for the purposes of the agreement: if Company is involved in or affected by labor dispute, strike, mobilization of armed forces, seizure, boycott, embargo, prohibition of currency transfer, uprising, epidemic, shortage of transport facilities, general shortage of raw materials and additional materials, restrictions in energy consumption, war, threat of war, civil war and revolt, fire and other interruptions in Company's business or that of its subcontractors or delayed receipt by Company of materials, raw materials, and additional materials or components ordered by it provided the delay has ensued for some of the reasons listed above; as well as any event beyond the reasonable control of Company. Regarding COVID-19, Company's operations and deliveries may be affected by the unforeseeable, unavoidable, and rapidly changing effects of the COVID-19 global pandemic, which could give rise to an impediment beyond Seller's control which cannot be overcome. Any such event constitutes a force majeure and Buyer bears the risk associated with and to the extent that Company's performance is hindered by the pandemic. Company is not liable for any nonperformance related thereto.

In the event of an obstruction of the performance of the agreement as a result of force-majeure Company shall be entitled, without court intervention, either to postpone the performance of the agreement for a maximum of 6 months, or to dissolve the agreement in whole or in part, without it being obliged to pay any compensation of damages. During the postponement Company shall be entitled, and at the end thereof obliged, to choose whether it wishes to perform the agreement or to dissolve it in whole or in part.

Both in the event of postponement and of dissolution by virtue of the above Company shall be entitled to demand immediate payment for the raw materials, materials, parts and other goods which it has reserved, started to process and manufactured for the performance of the agreement, this at the value which can in reason be attributed thereto. In the event of dissolution by virtue of the above the Buyer shall be obliged, following payment of the amount owed by virtue of the above, to take possession of the goods included therein, failing which Company shall be entitled to have these goods stored for the account and risk of the Buyer or to sell them for its account.

Article 15 *Drawings, models and tools

¹ The Alcoa trademarks are owned by Alcoa USA Corporation and used by Howmet Aerospace Inc. and its subsidiaries under license from Alcoa USA Corporation.

Drawings, moulds, models and tools produced and manufactured by or on behalf of Company shall remain Company's property, notwithstanding that any costs related thereto have been charged to the Buyer. The Buyer shall ensure that such drawings, moulds, models and tools, insofar as they have been made available to the Buyer, are not copied, imitated or delivered or shown to third parties.

Article 16 *Applicable law and competent court with jurisdiction and language

1. The legal relationship between the Buyer and Company shall be governed by the laws of Switzerland.
2. Any dispute arising out of or in connection with this Agreement, including but not limited to disputes on its performance, interpretation, binding effect, amendment and termination, shall be resolved by a three-person Arbitral Tribunal with seat in Geneva (Switzerland) in accordance with the ICC Arbitration Rules at the Geneva Chamber of Commerce and Industry, one arbitrator to be appointed by each of the parties. The third arbitrator shall be appointed by agreement of the two nominated arbitrators. The decision of the arbitrators shall be binding and final on all parties. The proceedings shall be conducted in English.
3. Should different language versions of these conditions exist, the English language version shall prevail.

Article 17 *Confidentiality

1. All information, of whatsoever nature and in whatsoever form (hereinafter "Information"), of Company, furnished or disclosed hereunder to the Buyer, shall be used solely for the purposes of this Agreement.
2. For the term of this Agreement and for an indefinite time thereafter, the Buyer will take all reasonable care to insure that any information in written, printed, oral or other form received from Company hereunder is not disclosed to third parties except insofar as such information:
 - a. is disclosed with the prior written authorization of Company;
 - b. or has previously been made public;
 - c. is established to be in or becomes part of the public domain other than as a result of a breach of an obligation not to disclose such information;
 - d. or is already in the possession of the Buyer prior to its receipt from Company, and is documented in written records in its possession prior to such receipt;
 - e. or is disclosed because any of the Parties is obliged by authorities to reveal it.
3. Upon Company's written request, the Buyer in receipt of the Information shall deliver to Company, or certify the destruction of, all Confidential Information received by the Buyer hereunder or copies made by the Buyer, except for one copy which may be retained to enable compliance with this Agreement.

Article 18 *Invalidity

To the extent that any provision of These Conditions is invalid or unenforceable, the validity of all other provisions shall not be affected, and the parties shall replace the invalid or unenforceable provisions by a valid provision so that the intention of the parties is achieved.

Article 19 *Assignment

Neither Party shall assign nor transfer or purport to assign or transfer any contract to which these Conditions apply or the benefit thereof to any other person whatsoever.

Article 20 *Consignment

The following clause shall apply only in the event that the Parties have agreed that Company shall consign the Product at the facility specified between the Parties. In the event of conflict between this clause 20 and any other clause of these Conditions with respect to consignment only, this clause 20 shall prevail.

1. Consigned Products shall be maintained by Company at the facility agreed on with the Buyer.
2. Prior to the commencement date, and every thirty (30) days thereafter, Buyer must provide a good faith forecast of its monthly requirements for the consigned Products during the next consecutive three (3) month period. Such forecasts shall be used by the Parties to determine shipment quantity and shipment date and to allow Company to update its production schedule for production of the consigned Products to ensure timely deliveries.
3. Buyer not having an established EDI (Electronic Data Interchange) connection with Company must issue a specific and firm Purchase Order to Company for shipment requests specifying the quantities of consigned Products ordered and the dates upon which shipment is to be made. A binding obligation to ship such quantities at such times will be created when Company issues a written sales order acknowledgement confirming such order, and not before.
4. Company will invoice Buyer not having an established EDI connection with Company upon receipt of the withdrawal report described below. Buyer shall pay Company in accordance with these Conditions.
5. Consigned Products will be delivered according to the Incoterm mentioned in the Purchase Order. Costs of unloading and storing are the responsibility of the operator of the consignment facility. Title to consigned Products will remain with Company until such consigned Products are removed from inventory and payment had been fully effected for the particular Product.
6. All risks of fire, theft or any damages to or loss of consigned Products delivered to the consignment facility shall remain with Company only until such consigned Products are removed from inventory by Buyer.