



Contract Summary

Contract for Purchase of Goods and Services No.

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|--|--|
| Name of Supplier | |
| Name of Howmet and/or Group members | |
| Goods and Specifications | Full details are in Attachment A. |
| Services and Scope of Work | Full details are in Attachment A. |
| Delivery Points and Date for Delivery | Full details are in Attachment A. |
| Commencement Date | |
| Completion Date | |
| Term | |
| Goods Price | Full details are in Attachment B. |
| Service Fees and Service Rates | Full details are in Attachment B. |
| Total Contract Price | |
| Supplier's Representative | |
| Howmet's Technical Representative | |
| Howmet's Procurement Representative | |
| Signing Date | ____ / ____ / ____ |



CONTRACT FOR PURCHASE OF GOODS AND SERVICES

This Contract is made as of _____ between _____ ("**Supplier**"), a corporation with its registered address at _____ and _____ ("**Howmet**"), a corporation with an its registered address at _____. (Howmet and Supplier are herein below referred to as the "**Parties**" collectively and a "**Party**" individually.)

WHEREAS, Supplier wishes to sell the Goods and Services (defined herein) to Howmet and Howmet wishes to order and purchase such Goods and Services;

NOW THEREFORE, through friendly negotiation and in consideration of the mutual benefit and development, and for other good and valuable consideration, Howmet and Supplier, intending to be legally bound, agree as follows:

1. **TERM.** This contract is for a term of _____ and shall commence on the _____ day of _____, _____ and terminate on the _____ day of _____, _____.
2. **GOODS & SERVICES / QUANTITY** Supplier agrees to sell the goods listed and described in Details of Goods and Services, **Attachment A** ("**Goods**"), and the services listed and described in the Details of Goods and Services, **Attachment A** ("**Services**"), as Howmet may order, at quantities identified in the applicable purchase order and/or contract. The Goods and Services will meet all the requirements, specifications and Scope of Work more particularly described on **Attachment A**.
3. **PRICE.** The prices for the Goods and Services are identified in **Attachment B**.
4. **TERMS AND CONDITIONS.** The general terms and conditions governing this Contract and the purchase orders issued pursuant to this Contract are set forth in **Attachment C**.
5. **CONTRACT ESCALATION.**
 - 1) Any issue or dispute relating to the Contract must be first resolved in accordance with the Escalation Process specified in **Attachment A** (if any).
 - 2) If no Escalation Process is specified in **Attachment A**, or in accordance with the Escalation Process, the issue or dispute cannot be resolved, the issue or dispute must be reported to Howmet's Representative and the Supplier's Representative who must in good faith endeavor to resolve the issue or dispute in accordance with Clause G-4 "Governing Law and Dispute Settlement" of **Attachment C**.



- 6. **ENTIRE AGREEMENT.** Attachments A through E are attached hereto and made an integrated part hereof. This Contract (including its attachments) and each of the individual Howmet purchase order issued under this Contract constitute the entire agreement between Howmet and Supplier with respect to the subject matter hereof and supersede and override all other prior negotiations, commitments, writings including, but not limited to, terms and conditions contained in any documents provided by Supplier in connection with its obligations hereunder. Any references to Supplier’s quotation, terms and conditions or other form of offer for the Goods and/or Services is for informational purposes only and any attempt by Supplier to vary the terms and conditions of this Contract in any degree will be deemed material and expressly objected to and rejected by Howmet.
- 7. **PRECEDENCE OF DOCUMENTS.** In the event of any conflict between the attachments of this Contract, the order of precedence will be as follows:
 - 1) This Contract
 - 2) **Attachment A – Details of Goods and Services**
 - 3) **Attachment B – Pricing**
 - 4) **Attachment D – Special Terms and Conditions**
 - 5) **Attachment C – General Terms and Conditions of Supply to Howmet China**
 - 6) **Attachment E – Contract Performance Review**
- 8. **NOTICES.** All notices required or permitted to be given pursuant to this Contract or any of the Attachments hereto shall be in writing and shall be valid and sufficient if dispatched by: a) registered or certified mail, postage prepaid, in any post office in the People’s Republic of China; b) hand delivery; c) overnight courier; or d) facsimile transmission upon confirmation of receipt.

If to HOWMET:

Insert Buyer Contact Information

Insert Buyer City, Insert Buyer Province Insert Buyer Zip

Fax (____) _____

Tel (____) _____

Attn: Insert Buyer Contact Name

If to SUPPLIER:

Insert Supplier Contract Information

Insert Supplier City, Insert Supplier Province

Insert Supplier Zip

Fax (____) _____

Tel (____) _____

Attn: Insert Supplier Contract Name

Each Party may change its address or other notice information in any respect, by giving written notice to the other Party in advance.



IN WITNESS WHEREOF, the Parties have caused this Contract to be executed by their duly authorized representatives in two originals as of the date first above written, and each Party shall hold one original.

_____ (stamp)

_____ (stamp)

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____



ATTACHMENT A – DETAILS OF GOODS AND SERVICES

| Details of Goods and Services | |
|---|--|
| Goods Description | |
| Specification/Technical Requirements | |
| Freight and Delivery | |
| Delivery Site | |
| Delivery Date | |
| Quality Guarantee Period | |
| Scope of Work | |
| Work to Commence on | |
| Work to be Completed by | |
| Service Sites | Example: (Howmet's) (site type) at (location/s) |
| Performance Standards | |
| Acceptance Standards | |
| Key Personnel | |



| | |
|---------------------------|--|
| Escalation Process | |
|---------------------------|--|

ATTACHMENT B – PRICING

| PRICING | |
|--|--|
| Goods Price | |
| Service Fees and Service Rates | |
| Total Contract Price | Howmet shall pay to the Supplier for the Goods and Services under this Contract RMB (), including RMB() for Goods and and RMB() for Services. |
| Price Adjustment Mechanism | Example: Fixed Price |
| Requirements for Invoice Issuance | |
| Invoices to be Submitted | Example: Monthly |
| Terms of Payment | Example: NET 90 DAYS, by [T/T, BAD, or L/C, etc.] |

ATTACHMENT C – General Terms and Conditions of Supply to Howmet China

“Howmet” referred in this general terms and conditions of supply to Howmet in China is Howmet Asia Pacific Investment Company Limited or any company that is a subsidiary of, an affiliate of, or related to Howmet Asia Pacific Investment Company Limited. This Contract and Howmet’s acceptance of Supplier’s performance under the Contract is expressly limited to and made conditional upon the exclusivity of these terms and conditions. Any proposal for additional or different terms or any attempt by Supplier to vary, in any degree, any of the terms of this Contract through Supplier’s acceptance shall not operate as a rejection of this offer, but shall be deemed a material alteration hereof. This offer shall be deemed accepted by Supplier under these terms and conditions without any additional or different terms proposed by Supplier. The terms and conditions of this Contract may only be amended by Howmet’s specific assent to the change and not by Howmet’s full or partial acceptance of performance by Supplier hereunder.

PERFORMANCE

P-1 Examination Prior To Commencement:

Supplier acknowledges that it has had the opportunity and has carefully examined all specifications, drawings, designs and other similar information related to this Contract as well as governmental restrictions, permits and license requirements, and all other laws and rules applicable to the work to be done under this Contract, the site of the work, its surroundings and local conditions; and has made all other investigations necessary to obtain a complete understanding of what is required to fully perform its obligations under this Contract. Supplier further represents that, based on these examinations and investigations that it has all necessary business, professional and technical expertise as well as the equipment, plant and employee resources required to perform the work covered by this Contract in accordance with such specifications and drawings and the terms of this Contract.

P-2 Changes:

Howmet reserves the right at any time to make changes in (i) specifications, drawings, designs and other similar information related to this Contract; (ii) delivery schedules and/or places of delivery; and (iii) method of delivery or packing (iv) Other general scope of this Contract; and Supplier will continue performance of this Contract as so changed. Howmet further reserves the right to change the amount of Howmet-owned property to be used in performance of this Contract. If any such change causes a material increase or decrease in the cost of or time required for completing this Contract, an equitable adjustment shall be made in the purchase price and/or delivery schedule, and this Contract will be modified in writing accordingly. Any claim by Supplier for adjustment to the purchase price or delivery schedule must be asserted within thirty (30) days from the date of receipt by Supplier of Howmet’s notification of change.

P-3 Warranty of Performance:

Supplier expressly represents and warrants that:

- (a) all goods and services furnished by Supplier under this Contract will conform to the specifications, drawings, designs and other similar information related to this Contract and, where applicable, customary standards and specifications;
- (b) all work shall be done in a good manner and by competent personnel and all goods, unless otherwise specified, will be new, of the best material and quality, free from defects, merchantable, fit for the purpose intended and of such design and quality that, in each and every instance, they shall efficiently and economically perform their intended function and purpose;
- (c) Supplier shall transfer to Howmet good title to all goods under this Contract, free of all liens and encumbrances, including those for materials or labor furnished hereunder by Supplier or any of its subcontractors;
- (d) Supplier shall promptly comply, and shall at all times during the performance of this Contract, take all measures and precautions necessary to ensure that subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor shall promptly comply, with any and all applicable laws, rules, regulations, policies, procedures of the national or local authority, including the laws and rules in the People’s Republic of China (the PRC”), including without limitation that any goods or services provided hereunder shall comply with any and all applicable national and local laws, rules, regulations and ordinances, including the laws and rules in the PRC;
- (e) Promptly before commencing work, at its sole cost and expense, Supplier shall obtain all necessary permits, licenses (including licenses to do business) and qualifications, including all permits, licenses and qualifications required under the PRC law, and shall maintain such permits, licenses and qualifications for performing work under this Contract in accordance with the drawings, specifications, designs and other similar information related to this Contract and the other terms of this Contract; and
- (f) Supplier shall comply with any representation or warranty made by Supplier or its agents to induce Howmet to enter into this Contract, or upon which Howmet has relied.

P-4 Inspection:

- (a) All goods, services, materials, equipment, supplies, apparatus and machinery provided by Supplier hereunder are subject to inspection and test and rejection or approval by Howmet at all times and places, including Supplier’s plant, to the extent practicable, and to final inspection and acceptance at plant of Howmet. If inspection or test is made on Supplier’s premises Supplier shall furnish free of cost to Howmet, all reasonable facilities and assistance for the safe and convenient inspection and tests required by Howmet.
- (b) When any material work is being performed away from Howmet’s premises, Howmet shall be given reasonable advance written notice where such work is to be done and when it will be ready for inspection, so that Howmet may, if it so desires, inspect the same from time to time before delivery.
- (c) All laboratory tests necessary for the full performance of this Contract shall be made in a laboratory approved by Howmet.
- (d) Any inspection by Howmet shall in no way release Supplier from warranties or guarantees as to goods, services, quality or performance hereunder.

**P-5 Subcontracting:**

Supplier shall obtain Howmet's written permission before subcontracting any portion of the work under this Contract. All subcontracts and all orders for the purchase or rental of supplies, material, or equipment, shall provide that the subcontractor or supplier shall be bound by all of the terms and conditions of this Contract. No subcontract or order shall relieve Supplier from its obligations to Howmet under this Contract nor shall purport to bind Howmet, but each subcontract or order shall contain a provision permitting assignment by Supplier to Howmet.

P-6 Preservation; Packing; Packaging:

All items shall be packed and packaged in accordance with all applicable international, national and local laws and regulations and with best commercial practices, with consideration to environmental impacts. Polystyrene foam and plastic beads are not environmentally acceptable and shall not be used. Any shelf life or preservation requirements shall be clearly indicated on or with each applicable item. Any timber used in shipments from countries outside of China must be kiln dried or fumigated in accordance with Chinese Quarantine Inspection Service requirements. Straw, soil and animal products must not, under any circumstances, be present in any packaging material or shipping container. An original packing declaration for FCL shipping containers and original fumigation certificates must be supplied in English to Howmet's shipping agent. Supplier must ensure that fumigation facilities utilised are acceptable to the Chinese Quarantine Inspection Service.

P-7 Payment:

(a) Unless otherwise agreed in writing with Howmet, Howmet shall, upon receipt of an accurate invoice, make payment to Supplier in accordance with the terms of this Contract. All invoices shall show the Howmet Contract Number and such other reasonable detail concerning the item or work as is consistent with the terms of this Contract or otherwise requested by Howmet.

(b) Payments otherwise due may be withheld by Howmet on account of defective work not remedied, claims filed, reasonable evidence indicating the probable filing of claims, failure of Supplier to make payments properly to its subcontractors or suppliers, reasonable doubt that the Contract can be completed for the balance then unpaid, the failure of Supplier to perform any of its other obligations under this Contract or any other agreement with Howmet, or to protect Howmet against any liability arising out of Supplier's failure to pay or discharge taxes or other obligations under this Contract or any other agreement with Howmet. If the causes for which payment is withheld are removed, the withheld payments will promptly be made. If the causes are not removed on written notice, in addition to its other rights and remedies Howmet may rectify the same at Supplier's expense.

(c) If, after all payments to Supplier are made by Howmet, any claim by a subcontractor or supplier to Supplier remains unsatisfied, Supplier shall refund to Howmet all monies that Howmet may be compelled to pay in discharging such a claim, including all costs and legal fees.

(d) Acceptance by Supplier of the final payment under this Contract shall constitute a waiver, release and discharge of any and all claims and demands of any kind or character whatsoever, which Supplier then has, or may or can thereafter acquire, against Howmet, its successors and assigns, for or on account of any matter or things whatsoever arising out of, or in any manner connected with, the performance of this Contract, or any agreement supplemental thereto. However, final payment by Howmet for goods or services provided shall not constitute acceptance nor a waiver, release or discharge of any claims or demands, which Howmet then has or may or can thereafter acquire against Supplier, its successors or assigns, for or on account of any matter or things whatsoever arising out of, or in any manner connected with, the performance of this Contract or any agreement supplemental thereto.

P-8 Termination For Cause:

Howmet reserves the right at any time and without any liability to it, to cancel all or any part of this Contract if (i) Supplier becomes insolvent, files a voluntary or involuntary petition for bankruptcy, makes an assignment for the benefit of creditors, has an administrator or a receiver appointed, or initiates reorganisation proceedings, or (ii) Supplier fails to perform any of Supplier's obligations under this Contract, or (iii) Supplier fails to make progress as to endanger performance under this Contract in accordance with its terms, or (iv) Howmet has reasonable grounds for insecurity about Supplier's ability to duly perform any of Supplier's obligations under this Contract. Howmet retains all rights at law, including without limitation, in the case of partially completed work, to finish the work by whatever method it may deem expedient, including the hiring of another contractor or other contractors and, for that purpose, may take possession of all materials, machinery, equipment, tools and appliances thereon and exercise all rights, options and privileges of Supplier. In such case, Supplier shall not be entitled to receive any further payment until the work is finished. If the unpaid balance of this Contract exceeds Howmet's cost of finishing the work, including compensation for additional managerial and administrative services, such excess will be paid to Supplier. If such costs of Howmet exceed such unpaid balance, Supplier shall be liable for and shall pay the difference to Howmet. With respect to any cancelled part of this Contract, Howmet shall have no further liability to Supplier. Supplier agrees to diligently continue performance of any uncanceled portion of this Contract. If after cancellation it is determined that Supplier has not committed a breach or that Supplier's failure to perform is excused due to an event of Force Majeure (as defined below in L-1) the affected portion of the Contract will be deemed to have been terminated for Howmet's convenience under P-9 below.

P-9 Termination For Convenience:

Howmet may for its convenience terminate work under this Contract in whole or part at any time by giving notice to Supplier in writing. Supplier will thereupon immediately stop work on this Contract, or the terminated portion thereof, and notify any subcontractors to do likewise. Howmet's sole and exclusive liability and Supplier's sole and exclusive remedy for such termination will be payment (i) for finished goods and services delivered or performed according to schedule prior to termination, subject to Howmet's sole acceptance, at the applicable price specified, and (ii) of Supplier's actual cost of the terminated portion of the work to the extent such costs are reasonable and are properly allocated under generally accepted accounting principles, excluding any lost or anticipated profits, and (iii) of Supplier's actual cost of discharging liabilities for termination of the applicable subcontracts and orders to the extent reasonable and allocated as stated in (ii) above, and (iv) of Supplier's reasonable cost of protection of incomplete work or property in which Howmet has an interest. Howmet reserves the right to direct the manner of disposition of any work or property that Howmet pays for hereunder. Supplier's termination claim must be submitted to Howmet in writing not later than ninety (90) days from the date Supplier receives Howmet's termination notice. In no event will Howmet's liability in the aggregate exceed the total price, which would have been paid hereunder for the goods or services to be provided to Howmet by Supplier had this Contract



not been terminated. Notwithstanding the foregoing, to the extent such termination involves goods or services which Supplier normally manufactures or supplies for distribution to other customers, and not specifically manufactured to fulfill this Contract, Howmet's sole and exclusive liability and Supplier's sole and exclusive remedy will be payment for finished goods delivered or services performed according to schedule prior to termination, subject to Howmet's final acceptance.

ENVIRONMENTAL, HEALTH & SAFETY

EH&S-1 Environmental Compliance:

(a) Supplier shall promptly comply, and shall at all times during the performance of this Contract, take all measures and precautions necessary to ensure that subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor shall promptly comply, with any and all applicable regulations, policies, procedures of any national or local authority regarding protection of human health and the environment and the prevention or control of pollution or toxic or hazardous wastes or substances. These shall include, without limitation, requests made by any governmental authority to initiate corrective actions for any deficiencies.

(b) Supplier shall not, without the prior written consent of Howmet, cause the transportation of toxic or hazardous substances to or from Howmet's premises by any other transporter or using any other method of transportation than that specified in the Contract. Supplier may not, without the prior written consent of Howmet, cause the treatment, storage or disposal of any toxic or hazardous substances at any facility other than that specified in the Contract.

(c) In the event of any spill, discharge, release or threatened release of a toxic or hazardous substance in, under or upon Howmet's premises caused by the action or inaction of Supplier or any of its subcontractors or any of their representatives, agents employees or invitees, or in the event of any spill, discharge, release, or threatened release of toxic or hazardous substances in, under or upon any location except for an Howmet-approved treatment, storage or disposal facility, Supplier shall immediately notify Howmet and shall, at Supplier's sole expense, (i) properly notify national and local authorities in accordance with applicable law, and (ii) take timely action to control and clean-up the release or threatened release so that any hazard or potential hazard to human health, life or the environment will be expeditiously controlled and eliminated. Howmet reserves the right to approve both the method and means of clean-up for any spill, discharge, release or threatened release covered under this section.

(d) Supplier shall promptly comply, and shall at all times during the performance of this Contract, take all measures and precautions necessary to ensure that subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor shall not introduce onto Howmet's property any toxic or hazardous substance without Howmet's prior written consent, including without limitation asbestos, ceramic fibre, fibre glass or polychlorinated biphenyls (PCBs) or chlorinated fluorocarbons (CFCs).

EH&S-2 Safety Compliance:

(a) Supplier shall promptly comply, and shall at all times during the performance of this Contract, take all measures and precautions necessary to ensure that subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor shall promptly comply, with any and all applicable health and safety regulations, policies, procedures, ordinances, orders, decrees, decisions, restrictions, permits and licenses of any national or local authority regarding the prevention of accidents or fires and the elimination of accident hazards, fire hazards or unsafe practices. These shall include, without limitation, requests made by any governmental authority to initiate corrective actions for any deficiencies.

(b) Supplier shall, at all times during the performance of this Contract, take all measures and precautions necessary to protect the property of Howmet and others, and to prevent injury, illness or death to any person. Such measures and precautions shall include, but are not limited to, all safeguards and warnings necessary (i) to protect all persons against conditions, including exposure to health hazards which could be dangerous and (ii) to prevent accidents of any kind wherever the work is being performed, particularly where the work is being performed in proximity to any moving or operating machinery, equipment or facilities, whether such machinery, equipment or facilities are the property of or are being operated by Supplier, its subcontractors, Howmet or other persons.

(c) Prior to bringing/shipping onto Howmet's site any toxic or hazardous substances, including those that will emit noise, dust, vibration, radiation or gas, have a high surface temperature or otherwise affect the environment or pose occupational health risks, Supplier shall provide to Howmet material safety data sheets in such detail as Howmet requests regarding each such substance and the associated emission, effects or risks.

ON-SITE WORK

S-1 Compliance with Howmet Environmental Regulations:

Supplier shall promptly comply, and shall at all times during the performance of this Contract, take all measures and precautions necessary to ensure that subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor shall promptly comply, with any and all applicable regulations, policies, procedures of Howmet regarding the protection of human health and the environment and the prevention or control of pollution or toxic or hazardous wastes or substances. These shall include, without limitation, any of Howmet's site regulations with respect to Howmet's premises as well as requests made by Howmet to initiate corrective actions for any deficiencies.

S-2 Compliance with Howmet Health and Safety Regulations:

(a) The safety of Supplier and subcontractors, and their representatives, agents employees, and invitees, while on Howmet's premises, or of any other person who enters upon Howmet's premises with the consent of Supplier, subcontractors or the representatives, agents, employees or invitees of any of them or for reasons relating to this Contract, shall be the responsibility of Supplier.

(b) Supplier shall at all times maintain good order among its employees and shall not employ, for purposes of this Contract, any person unfit or



not skilled in the work assigned. Supplier shall confine (i) all tools, vehicles, containers, and equipment, (ii) all persons who come onto Howmet's premises for reasons relating to this Contract, and (iii) all other persons who come onto Howmet's premises with the consent of Supplier, subcontractors or their representatives, agents, employees or invitees to that portion of Howmet's premises where the work is being performed, to roads leading to and from such areas, and to any other area which Howmet may, in writing, permit Supplier to use.

(c) Supplier shall promptly comply, and shall at all times during the performance of this Contract, take all measures and precautions necessary to ensure that subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor shall promptly comply, with any and all applicable health and safety regulations, policies, procedures of Howmet regarding the prevention of accidents or fires and the elimination of accident hazards, fire hazards or unsafe practices. These shall include, without limitation, any of Howmet's site regulations with respect to Howmet's premises as well as requests made by Howmet to initiate corrective actions for any deficiencies.

S-3 Rights to Exclude Certain Persons:

Except with the prior written consent of Howmet, Supplier shall not permit to enter upon the premises of Howmet at the site of the work any persons other than the officers, employees or representatives of Howmet, Supplier or approved subcontractors. Howmet reserves the right to refuse entry to any of its premises by any person, including Supplier's or any subcontractor's employees, if Howmet considers that to permit entry by that person may be prejudicial or detrimental to the interests of Howmet. Howmet shall have the right to bar or remove from its premises any such person. Any exercise of the above right shall not represent a repudiation of this Contract and Supplier shall promptly provide for the work to be performed by another employee or subcontractor as the case may require.

S-4 Cooperation with Other On-Site Activities:

It is understood that work not covered by this Contract may be performed by Howmet or others in the same area that may be occupied by Supplier. In such event, Supplier shall fully cooperate with Howmet and such others in scheduling its work so that a minimum of interference to production and to the other work in the area will occur. It is also understood that Howmet may occupy the site where the work is being performed and such occupancy shall not constitute acceptance of the work by Howmet.

S-5 Clean-Up:

Supplier shall at all times keep Howmet's premises and adjoining properties, driveways, and streets clean of rubbish caused by Supplier's operations. At the completion of the work, Supplier shall (i) remove all rubbish from and about such areas, (ii) remove all of its tools, vehicles, containers, equipment, temporary work and surplus materials from such areas, and (iii) have such areas clean and ready for use. If Supplier does not attend to such cleaning immediately upon request, Howmet may cause such cleaning to be done by others and charge the cost of the same to Supplier.

TITLE AND RISK OF LOSS:

Howmet shall have title to and, except as set forth in L-3, risk of loss of, all goods delivered and all completed and partially completed portions of the site work to be performed hereunder and materials delivered to and stored at the work site which are intended to become a part of the work. Supplier shall have the risk of loss or damage to Supplier's property used in performance of the work but which does not become a part thereof.

LIABILITY

L-1 Delays:

(a) Time is of the essence as to Supplier's performance hereunder. Failure to complete performance under this Contract at the time or times stated, or failure of Supplier to progress the work with timeliness and diligence shall entitle Howmet at its option to refuse acceptance of the goods, terminate this Contract in whole or in part and avail itself of any other remedies available to it at law; except if Supplier's failure or delay in completing performance under this Contract is excused by an unforeseeable cause beyond Supplier's control and without Supplier's fault or negligence as described in (b) below.

(b) The obligations of either party may be suspended by such party in case of act of God, war, riots, fire, explosion, flood, strike, lockout, injunction, national defence requirements, governmental laws, ordinances, rules and regulations, whether valid or invalid, or any other unforeseeable cause beyond the control of such party and without fault or negligence on the part of such party (i.e., "Force Majeure") which prevents the manufacture, shipment or acceptance of goods or services to be provided pursuant to this Contract.

L-2 Remedies for Defective or Non-Conforming Goods or Services:

Upon any default by Supplier, including but not limited to, any provision by Supplier, in whole or in part, of non-conforming or defective goods or services, Howmet at its election may cancel this Contract, in whole or in part. In addition to all other remedies available to Howmet at law or as set forth below, Supplier shall, at Howmet's option (i) repair the non-conforming or defective goods or services, (ii) replace the nonconforming or defective goods or services, or (iii) refund the full purchase price. Supplier shall be responsible for all costs of disposal or return of said goods, whether or not defective and whether or not acceptable, and all costs of purchasing replacement goods or services in the open market, if necessary, after reasonable notice to Supplier.

L-3 Indemnity:

Supplier shall defend, indemnify and hold harmless Howmet, its present and future officers, directors, shareholders, employees, representatives, agents, successors and assigns from and against liabilities, costs (including investigatory, remedial and monitoring costs) claims, penalties,



forfeitures, causes of actions, suits and the costs and expenses related thereto (including the costs of defence, settlement, and legal fees including the costs of lawyers in the employ of Howmet) which Howmet, its present and future officers, directors, shareholders, employees, representatives, agents, successors and assigns or any of them may hereafter suffer, incur, become responsible to pay for or pay out arising out of :

- (a) the violation of any national or local law, rule, regulation, ordinance, order, decree, decision, restriction, permit or licence for the protection of human health or the environment, including death or bodily injury to any person, destruction or damage (including loss of use) to any property, real or personal, contamination of or adverse effect on the environment, caused directly or indirectly by any act or omission of Supplier, subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor as a consequence of or in any manner connected with the performance of this Contract without limitation;
- (b) any and every actual or alleged infringement of any Chinese or foreign patent, trademark, trade secret, or copyright, or actual or alleged misappropriation of trade secret which may result from the purchase, sale, or use of the goods or materials purchased pursuant to this Contract without limitation; and
- (c) any other act or omission of Supplier, subcontractors and the representatives, agents, employees and invitees of Supplier or of any subcontractor as a consequence of or in any manner connected with the performance of this Contract which results in any other loss, including but not limited to, any loss of business or profit arising from late performance or the supply, in whole or in part, of non-conforming, defective or substitute goods or services, but only up to the limit of any insurance maintained by Supplier and its subcontractors.

L-4 Insurance:

Howmet will maintain such insurance policies protecting the employees and property of Howmet as Howmet deems necessary. Unless otherwise agreed with Howmet in writing, Supplier shall maintain at its own expense at least the following insurance coverages, which shall be primary without right of contribution of any other insurance affected by or on behalf of Howmet:

- (a) Worker's compensation insurance in accordance with the laws of the country or Territory in which the work is being done together with insurance in respect of any legal liability of an employer to an employee;
 - (b) Public liability and product liability insurance with insured limits in respect to bodily injury and property damage of at least one million RMB and with an extension to indemnify Howmet as principal; and
 - (c) In respect to vehicles registered for use on public roads, liability coverage in respect of property damage of at least one million RMB.
- To the extent that Supplier or any subcontractor maintains insurance coverage in excess of the above, Howmet shall be entitled to the benefit of such excess coverages. However, unless otherwise agreed with Howmet in writing, Supplier and each subcontractor shall not be required to arrange any additional insurance coverages with respect to the employees or property of Howmet, including the goods and services provided under this Contract. Supplier and its subcontractors shall be at risk in respect to all of Supplier's or the subcontractor's own employees and property.

OTHER GENERAL TERMS

G-1 Independent Contractor:

The relationship between Howmet and Supplier created by this Contract shall be that of Independent contractor, and nothing contained herein shall be construed as constituting a partnership, joint venture, or agency relationship between Howmet and Supplier.

G-2 Assignment:

Neither this Contract nor the right to receive payment hereunder may be assigned or transferred without the prior express written consent of Howmet, and any attempted assignment shall be void and of no force or effect against Howmet.

G-3 Notices:

All notices, requests, demands and other communications required or permitted to be given under this Contract shall be in English and in writing, either delivered by hand to the addressee, or sent by postage prepaid certified mail (return receipt requested) or airmail, or by reputable overnight or international courier, or by facsimile or other electronic transmission, to such addressee, and shall be effective on the date of receipt. A copy of the text of any notice given by facsimile transmission shall be mailed by postage prepaid certified mail (return receipt requested) or by reputable overnight courier, or delivered by hand, to the address set forth in the Contract within a reasonable time thereafter, provided such confirmation shall not be required if the addressee acknowledges receipt of the notice. No notice shall be deemed received on a day that is not a business day in the jurisdiction in which notices are to be addressed to such addressee. Any such notice shall not be effective until the next business day in such jurisdiction.

G-4 Governing Law and Dispute Settlement:

The law governing this Contract, its interpretation, any agreement to arbitrate and the conduct of any arbitration, is PRC law. Howmet and Supplier hereby expressly exclude application to any legislation, treaty or agreement, which applies the United Nations Convention on Contracts for International Sale of Goods adopted in Vienna in March 1980. Supplier and Howmet hereby agree to make every effort to resolve any dispute or area of disagreement that might arise between them regarding this Agreement and performance hereunder in a fair and expeditious manner. If any dispute cannot be resolved within twenty (20) days, then any dispute arising from or in connection with this Agreement shall be submitted to the headquarter of China International Economic and Trade Arbitration Commission ("CIETAC") in Beijing for arbitration in accordance with the Commission's arbitration rules in effect at the time of applying for arbitration; all the hearings will be held in Shanghai. The arbitral tribunal shall be a panel of three arbitrators. Each party shall nominate an arbitrator and these two arbitrators shall jointly appoint the third arbitrator, who shall act as the presiding arbitrator. The arbitral award is final and binding upon both parties. Any arbitration decision and arbitral award shall be in writing.

**G-5 No Waiver; Modifications:**

No waiver by Howmet of any breach or failure to comply with the terms of this Contract shall be construed as, or constitute, a continuing waiver of such provision or a waiver of any other breach of, or failure to comply with, any other provision of this Contract. No modification or waiver of any provision of this Contract shall be effective unless in writing signed by Howmet and Supplier.

G-6 Taxes and Other Governmental Contributions:

If any Chinese or overseas government authority impose any taxes, duties or fees (including those based on the Supplier's net income) on the service provided to Howmet under this Contract, the Supplier should agree to pay and bear such taxes. If Howmet is required by PRC law to deduct or withhold any taxes from the payment on this Contract before remitting the payment to the Supplier, the Supplier should agree that Howmet is entitled to make deduction withholding from the payment under this Contract in accordance with PRC law, Howmet should pay such withholdings to the PRC tax authorities and remit the residual of the payment to the Supplier.

If any non-China government authority imposes any taxes, duties or fees on the goods supplied to Howmet under this contract, the Supplier should agree to pay and bear such non-Chinese taxes. Howmet should pay and bear China taxes, duties or fees on the goods supplied to Howmet under this Contract, and the Supplier should be responsible for providing proper and customary supporting documents to verify the taxes to be paid by Howmet.

G-7 Confidentiality:

Supplier shall maintain as confidential all information related to the Contract, including any drawings, specifications, designs or other similar information, in whatever form, owned or furnished by Howmet, unless in the public domain except in the case of breach of this provision by Supplier ("Proprietary Information"), and Supplier shall have no rights, property or interest in the same except to the extent necessary to perform under this Contract. Any Proprietary Information or property owned or furnished by Howmet shall not be used for manufacture by anyone other than Supplier, or on anyone's behalf other than Howmet's, nor shall it be used for any purpose other than that for which it is specifically furnished. Howmet retains all rights in the Proprietary Information and other similar information furnished to Supplier in connection with this Contract. Upon completion of this work, Supplier shall promptly return to Howmet all Proprietary Information and other similar information, in whatever form, furnished by Howmet together with all copies or reprints.

G-8 Intellectual Property

(1) The intellectual property right in any discoveries, inventions, improvements, computer programs and related documentations, and other works of authorship (whether or not patentable or subject to other forms of protection) created under this Contract must be assigned by Supplier to Howmet and are owned by Howmet, provided that such discoveries, inventions, improvements, related documentations and other works of authorship are (i) made by Supplier in execution of the work assigned thereto under this Contract; or (ii) made by Supplier by using Howmet's Proprietary Information and/or other properties; or (iii) in the case of computer program, is developed to fulfill this Contract.

(2) Supplier will indemnify, protect, defend and hold harmless Howmet, its successors and assigns from all claims, demands, judgments, settlements, costs, losses, damages and attorney fees incurred as a result of actual or alleged infringement of any patent, copyright, trademark, trade secret, or other actual or alleged intellectual property right of any third party arising from Howmet's purchase or use of Goods or Services supplied under this Contract, and to defend at Supplier's expense, including reasonable attorney's fees, any and all suits or actions, based on such claims. All such obligations of Supplier to indemnify, hold harmless, protect and defend Howmet are in addition to Supplier's warranty obligations and all other rights or remedies of Howmet and shall survive acceptance and use of, and payment for, the Goods or Services, and completion, termination, or cancellation of this Contract.

G9 Review:

Howmet and its duly authorized representatives shall have the right to have access at all reasonable times during the term of this Contract and for a period of five (5) years thereafter to all of Supplier's and its subcontractor's personnel, books, records, correspondence, instructions, plans, drawings, receipts, vouchers, computer records and memoranda of every description pertaining to the work under the Contract for the purpose of reviewing and verifying that the charges presented by Supplier to Howmet for payment are in accordance with the Contract or for any other reasonable purpose. Howmet may also require that the review cover Supplier's procedures, controls and systems. Supplier shall render all reasonable assistance in conducting such reviews.



ATTACHMENT D – SPECIAL TERMS AND CONDITIONS (IF NECESSARY)

1. **Liquidated Damages of Delay.** Other than in cases of Force Majeure, failure of Supplier to complete performance under this Contract at the time or times stated, or failure thereof to progress the work with timeliness and diligence shall entitle Howmet to liquidated damages calculated as below. Supplier further agrees that Howmet shall have the right to deduct such liquidated damages from the Total Contract Price.

Example:

- 1) If less than seven (7) days, __% per day of the goods and/or services value for that part of the delay, shortage or non-completion, and the calculation will be using seven (7) days;
- 2) If greater than seven (7) days, beginning from the eighth day, __% per day of the goods and/or services value for that part of the delay, shortage or non-completion;
- 3) If the delay, shortage or non-completion lasts longer than __ days, Howmet shall be entitled to terminate immediately this Contract by notice without any compensation to Supplier.

2. **Governing Language.** This Contract has been executed in the Chinese [/English] language which shall be the binding and controlling language for all matters relating to the meaning and interpretation of this Contract.

3. **Other Terms** (please add here if any)



ATTACHMENT E – CONTRACT PERFORMANCE REVIEW (if any)

| Contract Performance Review | |
|--|--|
| Key Performance Indicator | |
| Other Performance Review Criteria | |
| Timing of Review | |