



LOCAL SUPPLIERS PURCHASE ORDER TERMS AND CONDITIONS

1. ACCEPTANCE OF PURCHASE ORDER

All purchase orders for, contracts for the sale of, and all acceptances of, any materials, goods and/or any other items (“**Goods**”) sold to Ramco Europe srl (“**Buyer**”) and Ramco Scandinavia AB (“**Buyer**”) SHALL BE EXPRESSLY CONDITIONAL ON AND SUBJECT TO THE TERMS AND CONDITIONS SET FORTH HEREIN. NO TERMS IN ADDITION TO OR DIFFERENT FROM THOSE SET FORTH HEREIN SHALL BE BINDING ON BUYERS UNLESS SPECIFICALLY AND EXPRESSLY AGREED TO IN SINGLE WRITING SIGNED BY SELLER AND BUYERS, AND BUYERS HEREBY OBJECTS TO AND REJECTS ANY ADDITIONAL OR DIFFERENT TERMS. Any person or entity who sells goods to Buyers will be considered a “**Seller**” and will be deemed to have accepted these terms and conditions in their entirety. Such terms and conditions shall not be modified other than in a single writing executed by Buyers and Seller. Such terms and conditions constitute the entire agreement between Seller and Buyers with respect to the subject matter contained herein and supersede all prior or contemporaneous representations and agreements, whether written or oral. “**Purchase order**” means, collectively, the specific purchase terms that Buyers use to place an order for Goods and these terms and conditions. Neither Buyers’ subsequent lack of objection to other terms and conditions, nor the acceptance of Goods, will constitute agreement by Buyers to any terms proposed by Seller.

2. ORDERS; CHANGES/CANCELLATION; REJECTION OF GOODS

Seller may not substitute or alter Goods unless Buyers give its prior written consent. At Seller’s expense, Buyers may reject and return any Goods that do not meet Buyers’ specifications as to quality or quantity as set forth in this Purchase Order or Seller’s express or implied warranties. Buyers will have at least 45 days after receipt of the Goods within which to inspect and accept the Goods. Payment for the Goods will not be deemed an acceptance or a waiver by Buyers or its customers of any breach of this Purchase Order or any defect in the Goods, whether known before or after payment. At Buyers’ option, any non-conforming Goods so rejected will be returned to Seller for full credit or replacement at Seller’s sole risk and expense. Acceptance of any part of the Goods will not bind Buyers or its customers to accept future shipments, nor deprive it of the right to return Goods already accepted or to make any claim for damages.

3. SHIPMENT; TITLE AND RISK OF LOSS

Delivery dates specified in this Purchase Order are of the essence. If delivery dates cannot be met, then Seller will inform Buyers in writing of alternative delivery dates. If Buyers do not approve the alternate delivery dates or if Seller delivers Goods outside of the delivery date, then Buyers may cancel this Purchase Order without further liability, purchase the Goods elsewhere, and/or hold Seller accountable for all damages, both indirect and direct, resulting from the alternate or delayed delivery dates. Except as otherwise expressly provided in this Purchase Order, the shipping terms on all Goods shipped by Seller to Buyers shall be *FOB* Buyers’ warehouse. Cost of all return shipments of non-conforming or damaged Goods will *Ex Works* at Buyers’ plant, unless otherwise specified by Buyers at the time of return.

4. WARRANTIES

Seller warrants to Buyers and Buyers’ customers that the Goods: (a) will conform strictly to specifications, samples and description specified by Buyers, furnished by Seller, and/or set forth in this Purchase Order; (b) will be of good and merchantable quality; (c) will be free from defects in material, design, and workmanship; (d) will not infringe any intellectual property rights of third party; (e) are owned by Seller immediately prior to delivery, will be transferred to Buyers and its customers without violation of any agreement to which Seller is a party or by which Seller is bound and will be free of security interests, liens, and encumbrances; and (f) will be produced, packaged and shipped in compliance with all applicable laws, regulations and rules. These warranties will survive any inspection, delivery, acceptance, payment or use by Buyers or its customers of or for the Goods.

5. CONFIDENTIALITY

All information, including without limitation, prices, designs, specifications, formulas, recipes, processes, customer information of any kind, data, and instructions, furnished or disclosed by Buyers to Seller in connection with placing or filling this Purchase Order (“**Confidential information**”) will be treated as confidential and proprietary information of Buyers. Seller will not (a) assert any claims of ownership by reason of the use or disclosure of such Confidential Information by Buyers; (b) disclose Buyers’ Confidential Information except in its fulfillment of this Purchase Order.

Seller will promptly return all Confidential Information held by Seller in tangible form to Buyers upon termination of this Purchase Order. The existence of this Purchase Order will be deemed to be Confidential Information hereunder.

6. INDEMNIFICATION; INSURANCE

Seller will defend, indemnify, and hold Buyers and its affiliates, successors, assigns, customers, distributors, and users of the Goods harmless from and against any claims, damages, expenses (including attorney's fees), judgments and liabilities suffered by any of them which arise from a breach of Seller's warranties or obligations hereunder. Seller will maintain insurance to indemnify itself, Buyers and Buyers' customers against all such liabilities. Upon Buyers' request, Seller will include Buyers as an additional insured on Seller's policies and/or provide Buyers with certificates of insurance evidencing such coverage. Seller's compliance with this Section does not in any way affect Seller's indemnifications obligations hereunder.

7. MISCELLANEOUS

These terms and conditions and any sale of Goods by Seller hereunder shall be governed by the laws of the State of Italy (Ramco Europe srl) and by the laws of the State of Sweden (Ramco Scandinavia AB) excluding its conflict of law principles. All disputes arising in connection with the contract shall be finally settled under the International Chamber of Commerce by a single arbitrator appointed in accordance with the said Rules. The proceedings shall be held in Brescia, Italy. Buyers shall not be liable to Seller for any damages resulting from any delay in performance of any obligation due to any cause beyond Buyers' reasonable control. Failure, delay, or any partial exercise by Buyers of any right, power, or privilege available to Buyers hereunder shall not operate as a waiver, or preclude further exercise by Buyers of any other right, power, or privilege. If any provision or any portion of these terms and conditions are construed to be illegal, invalid or unenforceable, such provision or portion thereof shall be deemed deleted from these terms and conditions to the same extent and effect as if it were never incorporated herein, but all other provisions of these terms and conditions and the remaining portion of any provision that is construed to be illegal, invalid or unenforceable in part shall continue in full force and effect. Seller shall not assign or delegate its rights or obligations hereunder with respect to any order of Goods without the prior written consent of Buyers. Buyers may assign or delegate its rights or obligations hereunder with respect to any order of Goods without the consent of Seller. These terms and conditions shall survive termination or cancellation of, and completion of work under, any order for Goods hereunder.

8. PPAP REQUIREMENTS

The organization shall submit for PPAP approval prior to the first production shipment in the following situations unless the authorized customer representative has waived this requirements (PPAP AIAG book – table 3.2):

- new parts or product
- correction of a discrepancy on a previously submitted part
- technical changes included design records, specifications, materials and process technology

The purpose of the primary sample test is to gain evidence that all the quality requirements specified on the drawings and specifications will be met prior to start batch production.

If production parts will be produced from more than one pipeline, mold, tool, die, pattern, or production process, e.g., line or cell, the organization shall complete a dimensional evaluation on the part from each. The specific cavities, molds, line, etc., shall then be identified in the PSW (ref. AIAG PPAP book 2.2.18).

The PPAP book requirements also apply to the subcontractors. The supplier is obliged to inform the customer in due time, and to deliver the initial sample or the preliminary sample with the customer's approval, in case of any planned changes to the design, process, or site, for example (ref. Tab. 3.1):

- construction or material change,
- New or modified tools, dies, molds, patterns, etc.,
- production transfer in a different plant site,
- production interruption for a long period (longer than 1 year),
- change in the manufacturing process and logistics,
- new subcontractors.