

GENERAL PURCHASING CONDITIONS



These Terms and Conditions shall apply between Johnson Matthey AB, Victor Hasselblads gata 8, 421 31 Västra Frölunda (Buyer) and Seller, if referred to at any stage during the procurement process concerned, unless otherwise is separately and explicitly agreed in writing between the parties.

1. DEFINITIONS

- "Agreement"** means these general purchasing conditions and all other documents the parties have agreed in writing to form part of the agreement governing Johnson Matthey's procurement of the Products.
- "Buyer"** mean companies within the Johnson Matthey Plc. group buying Product(s) from Seller under this Agreement.
- "Documents"** means any drawings, technical documents, software programs or other data bearing media in whatever medium or format.
- "Product(s)"** means the products, equipment, components, material, hardware, software, services and other objects (tangible or intangible) which Seller is required to supply under the Agreement.
- "Purchase Order"** means a written order for purchase of Products submitted by Johnson Matthey to Seller.
- "Seller"** means the company that is selling Products or services to Johnson Matthey AB.

2. DOCUMENTATION

Any Documents provided to Seller by Buyer shall remain Buyer's exclusive property and shall be returned to Buyer upon request.

Documents specifically prepared as a result of Buyer's order of the Products and provided by Seller to Buyer, shall be the exclusive property of Buyer. With respect to other Documents provided by Seller, Buyer shall have the unrestricted right to copy and use such other Documents for the purposes intended by Buyer's purchase of the Products.

3. PRICES AND TERMS OF DELIVERY

Payments shall represent the full compensation for all hardware, software, and services provided by the Contractor. The Contract Price and terms of payment for the purchased and/or licensed items hereunder shall be specified in a specific pricelist.

Undisputed invoices shall be due and payable on receipt within 30 days.

The terms of delivery shall be "Delivered At Place" (DAP) Place of destination Johnson Matthey AB, Västra Frölunda, in accordance with INCOTERMS 2010. Title to the Products shall be transferred to Buyer when delivery has taken place.

4. ORDER CONFIRMATION

- Seller has three (3) working days after received Purchase Order to either confirm or reject the Order, otherwise the Purchase Order is deemed to be accepted by the Seller.
- A purchase agreement includes this General Purchasing Conditions and also, to the extent of publication, the following documents: Framework Agreement (which shall prevail over this General Purchasing Conditions), Purchase Order, Tooling purchase orders, technical specifications and price agreements.

5. DELIVERY DOCUMENTS AND PACKAGE

Transportation package suited for sufficient protection under normal international transport conditions shall be included in

the price of the products. Seller is responsible for the goods in transfer according to INCOTERMS 2010.

The Products shall be packed and marked in accordance with Buyer's instructions. The Purchase Order number and product numbers (if any) shall be set out in the shipping documents.

6. CONFIDENTIALITY

Seller and Buyer agree without any limitation in time not to disclose to third parties confidential information which they obtain from the other party or which has arisen during performance of assignments. "Confidential information", as used in those provisions, means any information - technical, commercial or any other nature - regardless of whether or not the information is documented, with the exception of information which is or become generally known or which has come or comes to general knowledge other than through breach of those provisions.

Seller and Buyer agree to ensure that their respective employees, consultants and board members do not disclose confidential information to third parties. Each party is thus under a duty to ensure that employees who can be expected to come into contact with information of a confidential nature are required to keep such information secret to the same extent that this agreement requires themself to do so. Each party shall observe the other party's instructions regarding the handling of information.

7. CONTINUITY OF SUPPLY

Seller shall inform Buyer as soon as possible in writing (the "Notice") of any plans to suspend or close down manufacturing of the Products, in order to permit Buyer to place consolidated purchase orders for future demands.

8. DELAY

If the Products are not delivered within the time agreed, Buyer shall, for each commenced week of delay, be entitled to claim liquidated damages amounting to one (1%) per cent of the relevant Purchase Order price. The liquidated damages shall not, however, exceed a total of fifteen (15%) percent of the said price. Independently of the now said, Buyer shall always be entitled to cancel the relevant Purchase Order or parts thereof, provided that the delay is not insignificant.

9. INSPECTION, QUALITY AND ENVIRONMENTAL STANDARDS

Buyer shall be entitled to inspect the Products and the production thereof, including the relevant quality assurance system, at the premises of Seller and its subcontractors.

Seller undertakes to comply with the applicable requirements in the ISO 9000 quality system standards and the ISO 14001 environmental system standards. Use of any other standards must be approved by Buyer in advance. In addition, the Products shall meet the regulatory requirements imposed by the laws and regulations of any governmental entity having jurisdiction over the production, transport and/or sale (including re-sale) of the Products. The Products shall also meet the technical standards and the environmental- and special market requirements stated in the Purchase Order or otherwise agreed upon between the parties. In addition, the Seller shall comply with the European Community directive regarding banned and restricted substances.

If requested by Buyer, Seller shall furnish a certificate for delivered Products stating that the Products conform to all requirements mentioned above in this clause.

10. WARRANTY

Seller warrants that it has and will maintain sufficient rights and interests in the Products provided hereunder. Seller warrants that the Products will perform and conform to the

specifications and will meet what otherwise has been agreed upon, and will be free from defects, deficiencies and non-conformities in design, materials and workmanship. Products delivered may be rejected by Buyer and returned at Seller's risk and expense if at any time found defective, deficient or non-conforming in the above mentioned respects (below in this Article referred to as "defect(s)") during a warranty period of twelve (12) months starting from the date of delivery to Buyer of the respective Products. In such cases Seller shall be obliged at its own cost to, at the option of Buyer, repair the Products or replace them with new Products that are free from defects, unless Buyer cancels the purchase concerned, wholly or in part. Repair and replacement shall be carried out promptly upon demand.

When a defect has been remedied as said in the preceding paragraph, Seller shall be liable for defects in the replaced or repaired Product under the same terms and conditions as those applicable to the original Product for the remainder of the original warranty period.

If Seller fails to fulfill its obligations above within the prescribed time, Buyer may - without prejudice to other remedies available - undertake, or engage a third party to undertake, necessary remedial works at the risk and expense of Seller.

11. PRODUCT LIABILITY

Should the Products have a defect which causes damage to persons or to other property than such Products, Seller shall indemnify and hold Buyer harmless for such damage, however to maximum purchase amount.

12. COMPLIANCE WITH LAW

Seller warrants that it will comply with the applicable laws and regulations of Sweden and the laws and regulations of the country(ies) having jurisdiction over Seller.

13. EXPORT AND IMPORT

Seller is responsible for obtaining and maintaining any export license(s) required for delivery of the Products to Buyer according to the Purchase Order. Seller shall issue all other documents reasonably requested by Buyer, regarding export and import of the Products.

14. INFRINGEMENT INDEMNITY

Seller shall indemnify and hold harmless Buyer from and against any and all damages suffered and costs and expenses (including reasonable attorneys' fees) incurred as a result of any claim, suit or proceeding brought against Buyer or any of its customers based on the allegation that the use, sale, distribution or other disposal of any Products constitutes an infringement of any intellectual property rights or applications thereof (including but not limited to patents, utility models, mask work protections, industrial designs, copyrights and trademarks) or an unauthorized use of know-how, trade secrets or other proprietary rights.

In the event that the Products or any part thereof are in such claim, suit or proceeding held to constitute an infringement or their further use, sale, distribution or other disposal is enjoined, Seller shall promptly, at its own cost and expense but at Buyer's option, either;

(a) procure for Buyer and/or any concerned customer the right to continue the use, sale, distribution or other disposal of such Products;

(b) replace the same with non-infringing Products of equivalent function and performance; or

(c) modify such Products so that they become non-infringing without detracting from function or performance.

15. OWNERSHIP

Title to all tools, masks, patterns, designs and related physical facilities which have been funded by the Buyer in order to be supported in the manufacture of products, shall exclusively belong to the Buyer and shall be transferred to

Buyer without delay if requested. Shipping and handling cost, in such cases at the expense of the Buyer.

If the Product is a result of a specific Buyer design, Buyer shall retain title to any intellectual property rights, including but not limited to patents, utility models, mask work protections, industrial designs, copyrights and trademarks, in the Products.

Seller agrees to select and store the Buyer's tools and other goods in specially marked area / shelf with Buyer's Name that can be distinguished from other goods and tools for the vendor.

The Seller is not entitled to use the Buyer's tools or equipment other than the Buyer's own orders.

16. NON-WAIVER

The failure by either party to enforce any provisions of the Agreement (including these conditions) or to exercise any right in respect thereto shall not be construed as constituting a waiver of its rights thereof.

17. FORCE MAJEURE

The following circumstances constitute grounds for relief to the parties whenever the terms of its performance is impeded or made unreasonably onerous by circumstances which neither party can control, such as fire, natural disaster, war, mobilization, riot, requisition and trade and currency restrictions. The above restrictions constitute grounds for relief only if their effect on the performance could not be foreseen when the agreement was initiated.

Regardless of what might otherwise have been agreed under this Agreement, either party have the right to terminate this contract by written notice if the performance of the contract is delayed by more than six months due to any of the above grounds for relief.

18. TERM AND TERMINATION

This Agreement shall enter into force upon signature by both parties and is valid until either party in writing terminates the Agreement with a mutual notice period of six (6) months.

Either party may terminate this Agreement at any time, if the other party breaches any material provision of this Agreement and have not resolved the breach within one (1) month after written notice of the breach.

If any party applies for reconstruction or has entered into bankruptcy, or if a trustee is appointed for its operations, the other party has the right to terminate this Agreement immediately. Bankruptcy can sometimes be considered a breach of contract and the respondent is therefore entitled to compensation for any damage that may occur due to bankruptcy.

19. GOVERNING LAW AND ARBITRATION

The Agreement and any Purchase Orders, as well as any legal matters connected therewith, shall be governed by Swedish law.

All disputes, differences or questions between the parties with respect to any matter arising out of or relating to the Agreement or any Purchase Order shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce, in Stockholm, Sweden, by one or more arbitrators, appointed in accordance with the said Rules. The arbitration proceedings shall be conducted in the English language. All awards may if necessary be enforced by any court having jurisdiction in the same manner as a judgment in such court.

The parties undertake and agree that all arbitral proceedings conducted under this Article shall be kept confidential, and all information, documentation, materials in whatever form disclosed in the course of such arbitral proceeding shall be used solely for the purpose of those proceedings.