

General Terms and Conditions of Purchase from Ni-Met Inc. (Buyer)

Effective Date: [2025.01.01]

1. Definitions and Interpretation

- **"Buyer"** or **"Company"** means Ni-Met Inc.
- **"Seller"** means the party supplying the Goods pursuant to the Contract.
- **"Contract"** means the Purchase Order issued by the Company and accepted by the Seller, incorporating these Conditions.
- **"Goods"** means any and all metal scrap or primary metals, or any other goods ordered by the Company.
- **"Order"** means the Company's written or electronic order for Goods.
- **"Incoterms"** means the ICC Incoterms® 2020 rules (as amended or replaced from time to time).

Words importing the singular include the plural and vice versa. Headings are for convenience only and do not affect interpretation.

2. General Terms

- These Conditions apply to all purchases of Goods by the Company and supersede all prior terms, whether written or oral.
 - Any acceptance, acknowledgment, or delivery by the Seller constitutes agreement to these Conditions.
 - Any Seller terms (e.g., on quotations or invoices) are rejected unless agreed to in writing by the Company.
 - No variation to these Conditions shall be binding unless expressly agreed to in writing by the Company.
-

3. Specifications and Quality

- Goods must conform strictly to the specifications, weight tolerances, and quality requirements stated in the Contract.
- The Seller warrants that all Goods: (a) are free from contamination, foreign matter, and defects;
(b) conform with agreed industry standards and grades;
(c) are suitable for the intended purpose and compliant with all applicable laws.

- Final determination of weight, quality, and grade shall be as per the Contract or the Buyer's designated inspection, which shall be binding.
 - The Company reserves the right to inspect or test Goods at any stage prior to or after delivery.
-

4. Packing and Delivery

- Goods shall be delivered in accordance with the delivery term stated in the Contract, as defined by Incoterms® 2020.
 - Time of delivery is of the essence.
 - The Seller shall notify the Buyer immediately of any anticipated delay and provide a revised delivery schedule.
 - If Goods are not delivered by the due date, the Buyer may: (a) cancel the Contract wholly or partly;
(b) reject late deliveries;
(c) obtain substitute goods and recover cost differences;
(d) claim liquidated or actual damages.
 - Excess Goods may be rejected and returned at the Seller's expense.
 - Returnable packaging must be clearly marked; return shall be at the Seller's cost.
-

5. Title and Risk

- Title to the Goods shall pass to the Company upon delivery or payment, whichever is earlier, unless otherwise stated.
 - Risk shall pass in accordance with the Incoterm specified in the Contract. In the absence of such, DDP to the Buyer's site shall apply.
-

6. Price and Payment

- Prices are as stated in the Order and are firm and inclusive of all costs except applicable taxes.
- No additional charges (e.g., handling, surcharges) shall apply without prior written agreement.
- Payment terms are 30 days from the date of delivery and quality confirmation unless otherwise agreed to in writing.
- The Buyer reserves the right to offset any sums due to the Seller against sums due from the Seller to the Buyer.

7. Loss or Damage in Transit

- The Seller shall replace, at its cost, any Goods lost or damaged in transit before risk has passed.
- Claims for loss or damage must be made in writing within 14 days of delivery (or 21 days for total loss).
- Containers damaged while loading or any abnormal/unwanted charges imposed by the shipping line will be borne by the Seller.

8. Insurance (CIF or Similar Terms)

- Where the Seller is responsible for insurance, it shall procure coverage that includes:
 - Institute Cargo Clauses (A) (01.01.2009).
 - Institute War and Strikes Clauses.
 - Minimum value: 110% of the invoice.
- Insurance must be with reputable underwriters.

9. Warranties and Indemnity

- The Seller warrants full legal title, merchantability, compliance, and that the Goods are free from liens or third-party claims.
- The Seller shall indemnify and hold harmless the Company from all losses, damages, costs, or claims arising from: (a) Defective or non-conforming Goods;
(b) Breach of warranty or Contract;
(c) Infringement of third-party rights;
(d) Environmental, safety, or regulatory violations.

10. Force Majeure

- The Company may suspend or cancel performance in the event of force majeure (including acts of God, war, pandemic, strikes, government restrictions, etc.).
 - The Seller shall use best efforts to mitigate the impact of any such events and notify the Company immediately.
-

11. Termination

- The Buyer may terminate the Contract at any time, with or without cause, by written notice.
 - Upon termination for convenience, the Buyer shall pay for delivered conforming Goods and reasonable direct costs for work in progress.
 - The Buyer may terminate immediately upon the Seller's breach, insolvency, or failure to perform.
-

12. Remedies

- If the Seller fails to deliver or delivers non-conforming Goods, the Buyer may: (a) Reject or return Goods at the Seller's risk and cost;
(b) Obtain replacements or remedy defects at the Seller's cost;
(c) Terminate the Contract;
(d) Claim damages for breach.
-

13. Confidentiality

- The Seller shall not disclose or use any proprietary or confidential information received from the Company except as strictly necessary to fulfill the Contract.
-

14. Compliance

- The Seller represents that all Goods are sourced, manufactured, and supplied in compliance with all applicable environmental, trade, and safety laws and do not contain conflict minerals or banned substances. The Seller should inform the Buyer prior to shipment in case of dealing with controlled or restricted goods where any kind of permits, licenses, or similar approvals are required from the exporting countries.
-

15. Governing Law and Dispute Resolution

- This Contract is governed by the laws of the Province of Ontario, Canada, excluding conflict of law principles.
 - Any dispute shall be referred to and finally resolved by arbitration under the ICC Rules, seated in Ontario, Canada, by a sole arbitrator.
 - The language of the arbitration shall be English.
 - The United Nations Convention on Contracts for the International Sale of Goods (CISG) does not apply.
-

16. Miscellaneous

- No waiver or failure to enforce any term shall constitute a continuing waiver.
 - If any provision is held invalid, the remainder shall continue in effect.
 - No third party shall have any right to enforce any term of the Contract.
 - The UN Convention on Contracts for the International Sale of Goods (1980) shall not apply.
 - The Buyer may assign the Contract; the Seller may not assign without prior written consent.
-