

GENERAL PURCHASE CONDITIONS
VESUVIUS IBÉRICA REFRACTARIOS S.A. (VESUVIUS)

CONTRACTUAL REGIME

These General Purchase Conditions shall be applicable to every contractual relation between VESUVIUS IBÉRICA REFRACTARIOS, S.A. (hereinafter, VESUVIUS) and the natural or legal person/s with whom the provision or delivery of goods or the provision of services are contracted (hereinafter, the SUPPLIER).

Upon order acceptance, the SUPPLIER is supposed to be also accepting a these General Conditions which shall prevail over others that he may foresee in order to govern his relations with his clients. VESUVIUS reserves the right to modify, at any time, these General Conditions, and such modification shall be binding from the date on which it is notified to the SUPPLIER.

In case of dispute between these General Conditions and the order, the latter shall prevail.

ORDERS

Orders are closed, although they may cover good or service needs for long and definite periods of time.

If, when receiving an order, the SUPPLIER detects any differences in relation to his proposal, he shall immediately notify this to VESUVIUS. Any modification or change in the order must mean either the generation of a new order or the modification of the existing one by VESUVIUS. In case the SUPPLIER should not detect any difference, the order is understood to be accepted.

Except as expressly authorised in writing by VESUVIUS, the SUPPLIER could neither subcontract, wholly or partly, the execution of the order nor transfer the order or the rights and obligations derived thereof.

DELIVERY CONDITIONS

TERM AND PLACE.- The delivery date stated in the order shall be understood, except if otherwise stated in the agreement, as the date of the reception of the goods and/or the provision of the services at the recipient's premises, and no other, and it shall be fundamental. Should the delivery fail to be made on the date stated in the order, VESUVIUS could decide to terminate the agreement, thus, consequently, cancelling the order or to ask for its execution, all this without prejudice to claim the corresponding damages.

DISPATCH.- Each delivery shall be appropriately notified and well in advance. Each shipping of goods or each service provision shall enclose the corresponding delivery note or proof of delivery. Each dispatch notification shall at least include a complete order reference, the order date, a description of the goods, parcel and package identification, net and gross weights, departure date and finally, whether it is the whole delivery or a part of it or an outstanding matter.

DOCUMENT AND PARCEL AND PACKAGE IDENTIFICATION.- Items shall be delivered with the expected marks, labels and packaging pursuant to the legislation in force, so that they reach their destination in good condition. Chemical products and items made of substances classified as hazardous shall be packed following duly safety guarantees, visible pictograms, while complying with every applicable regulation. The SUPPLIER shall be responsible for any damage caused as a result of an inappropriate packaging.

Order-related documents must be addressed to the issuing entity and shall include the order number. The same criterion shall be used in every dispatch, package, parcel, postal mail, etc.

VESUVIUS acceptance of such goods or services at the delivery time shall not imply his compliance with them, and this shall be understood without prejudice to any right he may have to claim for potential faults.

The transfer of goods property shall be according to the incoterm stated in the order, and otherwise, DDP shall be applied (Incoterms 2010).

INVOICING AND PAYMENTS

INVOICES.- Generally speaking, the SUPPLIER shall issue an invoice per order. Invoices could not be issued before the delivery date. When an order includes different deliveries, an invoice could be issued for each, pursuant to the agreement reach. Invoices must include the order number. Non-compliant invoices will be returned.

PAYMENT CONDITIONS.- Except for special regulations or expressly agreed with the SUPPLIER, as stated in the order, and whatever the address is, invoices shall be paid within 60 days from the delivery date, pursuant to Law 3/2004, by certified payment or, exceptionally, by bank transfer.

For any transaction, the SUPPLIER shall provide enough reference for direct debit by means of company documentary proof.

In case the SUPPLIER fails to comply with the obligations stated herein, VESUVIUS may suspend its obligation to pay.

WARRANTIES AND RETURNS

The SUPPLIER represents and guarantees that the goods or services provided under these Conditions are free of free of material or legal defects that may cause a reduction of their value or suitability for the purpose stated.

Likewise, the SUPPLIER guarantees that the goods or services provided under these conditions are free of additional burden or costs and of third parties rights or claims.

Failure of goods compliance is considered as a fundamental breach. VESUVIUS reserves the faculty to reject goods which are not dispatched or services that are not provided according to the order, and which do not present the particular specifications stated in the order or in the General Conditions. The execution conditions or payments mentioned in the orders shall be carefully followed.

Rejected goods shall be returned to the SUPPLIER, freight collect, except if he states that they should be deposited and available to him at VESUVIUS warehouses. In this case, goods risks and dangers shall be borne by the SUPPLIER.

The SUPPLIER undertakes to substitute or repair, at VESUVIUS choice and without further charges, any goods or service that does not fulfil the requirements referred above. If the SUPPLIER does not comply with this obligation, VESUVIUS shall either repair or substitute the goods or services and pass the corresponding costs to the SUPPLIER, or terminate the contract, without prejudice to the corresponding compensation.

WORKS PERFORMED BY THE SUPPLIER AT VESUVIUS FACILITIES

The SUPPLIER and VESUVIUS are independent entities. In case the order refers to the provision of services to be performed at VESUVIUS facilities, the SUPPLIER personnel involved in such shall not have any labour or commercial relation with VESUVIUS as they will be staff employed by the SUPPLIER, who, therefore, will be under the supplier's responsibility and management, at his exclusive account and risk. VESUVIUS shall not be

subrogated to the relations the SUPPLIER has with such staff. SUPPLIER's employees who work at VESUVIUS facilities shall be controlled and managed by staff hired by the SUPPLIER, which shall be their supervisors and shall organize the tasks to be performed and the guidelines to do it so.

None of the SUPPLIER's employees shall be subject to VESUVIUS managerial and organizational power and shall not be included in his organizational structure.

The SUPPLIER undertakes to thoroughly comply with national, regional and local labour and Social Security legislation in force at any time.

In case labour, salary or Social Security claims are made as a result of the SUPPLIER failure to comply with issues related to those employees working at VESUVIUS, the SUPPLIER shall be the only responsible and shall commit to hold VESUVIUS harmless from any action to be exercise against him, both during the term of the contract or after its termination.

Likewise, the SUPPLIER shall be the only responsible for paying redundancy compensations to those employees working at VESUVIUS. The SUPPLIER commits to hold VESUVIUS harmless from any claim they may receive in relation to this issue.

The SUPPLIER undertakes to comply with Law 31/1995, of Health and Safety at work, assuming all responsibility and/or penalties that may come from its failure to comply, while holding VESUVIUS harmless in relation to this issue.

In order to access VESUVIUS facilities, the SUPPLIER would have to previously meet the requirements established in the applicable contractor access procedures.

Both the safety measures stated in the access procedures and the safety and environment instructions must be observed and must be notified to their employees by the companies. Failure to follow these rules does not only expose people to an increased risk of accidents or health damages, but they can also make VESUVIUS take actions such as denying access to the facilities or terminating the contract.

The SUPPLIER shall appoint someone responsible for safety at work at VESUVIUS facilities, who will perform Health and Safety at work related functions.

LICENSES AND PERMITS

The SUPPLIER shall be responsible for applying and obtaining all the permits, authorizations, visas and licenses necessary to transport, sell and use the goods and/or services supplied, particularly EC mark as well as compliance with the specific governing regulations which, in any case, should imply additional charges to VESUVIUS.

REACH REGULATIONS.- The SUPPLIER who is providing substances or chemicals defined in the REACH regulation (EC) No. 1907/2006 is aware of the obligations stated in such regulation and undertakes to comply with such when delivering those substances or chemicals. The SUPPLIER ensures to deliver just those substances and/chemicals which are already registered or preregistered pursuant to the REACH regulation to VESUVIUS. In case of failure to comply with the referred obligations, the SUPPLIER undertakes to compensate VESUVIUS and shall keep him free and clear of any claim made by third parties, including those by governmental authorities, as well as for loss, damage, costs or expenses derived from or related to any failure to comply with this matter. The SUPPLIER agrees not to supply substances, either alone or mixed, or items which are not included in Annex XIV to REACH and subject to authorization, without VESUVIUS prior written consent.

The safety data records of the products supplied shall comply with Regulation 1272/2008.

The SUPPLIER shall provide, as soon as possible, VESUVIUS, with everything the latter requests so, any requested information related to the goods and services provided, which turns out to be necessary to comply with the requests or requirements of administrative authorities.

INTELLECTUAL PROPERTY

All intellectual property rights which, in any case, may exist in relation to the originally and specifically developed products by the SUPPLIER to VESUVIUS or in relation to the results obtained when executing the services contracted, shall be the sole exclusive property of VESUVIUS.

The intellectual property rights of products, procedures, know-how, documentation or software held by the SUPPLIER before entering the contract with VESUVIUS and provided to the latter for the purposes of executing such contract, shall continue to be owned by the former who will provide VESUVIUS with a license of use for them to be exclusively used under this contract. This license shall be granted on a non-exclusive basis, for international use and for the periods legally indicated for such rights.

In case of intellectual property rights of products, procedures, know-how, documentation or software that VESUVIUS provides the SUPPLIER to execute the contract, these shall continue to be owned by the former. In this case, VESUVIUS shall provide the SUPPLIER with a license of use for them to be exclusively used under this contract. This license shall be granted on a non-exclusive bases, for its use in the territory where the contract is executed and during the term of the contract.

CONFIDENTIALITY

Confidential information shall refer to financial, commercial or other type of information notified by the parties for the purposes of the order, as well as any personal data, documentation and/or information to be accessed in order to provide services or deliver goods.

The parties undertake to keep secret and not to disclose the confidential information they get access to. This confidentiality obligation is indefinite.

The drawings, models and machinery delivered by VESUVIUS to the SUPPLIER for the execution of his orders belong to the former and could not be copied, reproduced or given to third parties without the prior written authorization of the former.

The SUPPLIER must check the models and the machinery, and must make sure that they were not damaged during the transportation and that allow manufacturing the pieces according to the drawings provided, which are referred to in the order execution. The moulds created by the SUPPLIER to execute VESUVIUS orders, whose intellectual property belongs to the latter, shall only be for the purposes of piece manufacturing and as soon as the generation costs are paid, these shall become their sole exclusive property.

Pursuant to Organic Law 15/1999, of 13 December, on Data Protection, the data of SUPPLIER representatives or contact people shall be included in VESUVIUS files, address at C/ Vicente Muzas 3, 28043 – Madrid (Spain).

The data shall be treated for the purposes of managing the contractual relation with the SUPPLIER.

Data owners can exercise their rights of access, modification, cancellation and opposition as stated in the law, by sending a written request to VESUVIUS at the address referred above.

In case the SUPPLIER, for an appropriate provision of the services contracted, needs to access the personal data included in the files owned by VESUVIUS, the SUPPLIER shall become the Data Processor who shall undertake the following obligations in relation to such data: (i) to exclusively treat the data following the

instructions given by VESUVIUS, Data Controller; (II) neither apply them nor use them for purposes other than those related to the provision of the contracted services; (iii) not to communicate them, not even for retaining purposes, to third parties, except for private entities or institutions in order to comply with the law or to perform functions entrusted by VESUVIUS; (iv) to ensure the adoption or implementation of security measures which, pursuant to the data protection legislation in force, correspond according to the data transferred ; (v) to keep such data as secret and confidential and to notify this obligation to the staff involved in treating them; y (v) upon the termination of the contract, to destroy or return such data to VESUVIUS, as well as any support or document including treated personal data, except for a legal obligation to keep them. If the SUPPLIER fails to comply with such obligations, he shall be considered as the Data Processor, while personally account for the infringements he may have committed.

In case of a subcontracting relation between VESUVIUS and the SUPPLIER, failure to comply with the legislation in force shall allow VESUVIUS to request the SUPPLIER, and he shall be obliged, to provide all the information he may deem necessary to prove that employee conditions are pursuant to the applicable labour and tax legislation. Should this be the case, the SUPPLIER undertakes to notify employees that their data have been transferred to VESUVIUS, who shall include them in a file owned by VESUVIUS for the purposes referred above, and to let them know that they can exercise their rights of access, modification, cancellation and opposition by sending a written notification to a C/ Vicente Muzas 3, 28043 – Madrid (Spain).

If the SUPPLIER fails to comply with what it is stated herein, the SUPPLIER shall be liable to VESUVIUS for damages caused, and shall pay the penalties imposed by the Spanish Data Protection Agency as a result of failure or the compensations that VESUVIUS would have paid to the affected.

INSURANCES

The SUPPLIER shall pay, at his expense, and during the order execution, the following insurances at least:

- Corporate Liability Insurance, including employer, products, and post work.
- Health, accident and life insurances for all employees working at our facilities.
- Transport insurance for goods to be delivered following the applicable incoterm in case of purchase.

Insurances referred above shall be taken out with a highly prestigious insurance company.

CANCELLATION

In case the SUPPLIER fails to comply with any obligation herein VESUVIUS shall be entitled to cancel the order any time and without additional charges by sending a notification as stated above.

FORCE MAJEURE

No Party shall be liable or responsible for any failure in fulfilling the order, as long as force majeure events have happened: acts of God, unavoidable or uncontrollable accidents by any party. The Impacted Party shall immediately notify the other party, including the actions to be taken in order to mitigate the effects and the estimated terms until normal conditions are restored. Good damages prior to delivery shall be paid by the SUPPLIER.

PRINCIPLES

CODE OF CONDUCT.- The SUPPLIER shall observe good trade practices in every commercial relation, thus avoiding fraudulent activities and working according to VESUVIUS Conduct, Ethics and Anticorruption Codes.

INTENTIONS – VESUVIUS means to develop positive commercial relations for both parties, from a financial point of view and to improve safety, quality and the environment. In this sense, every change proposed by the SUPPLIER, to cut down on costs, to improve health and safety at work, and/or the environment as well as product or service quality improvements, shall be always welcome. It is VESUVIUS target to make his collaborators keep the highest standards in relation to Quality, Environment and Health and Safety at Work.

APPLICABLE LAW AND JURISDICTION

These Conditions shall be governed by the Spanish legislation.

The SUPPLIER, waives any other forum, and irrevocably submits to the jurisdiction of the Courts of Oviedo – Asturias (Spain) to settle any dispute related to the order and the purchase.