

## Introduction

The following general terms and conditions of purchase will apply to deliveries and work to the companies in the Caljan Rite-Hite group (hereinafter called the Purchaser) unless the Parties agree in writing to dispense with or amend the general terms and conditions of purchase.

The supplier's (hereinafter called the Vendor) ordinary terms and conditions of delivery will apply only, wholly or in part, to the extent that they are expressly confirmed in the agreement by the Purchaser.

Only purchase orders in writing shall be considered binding on the parties.

In the context of these terms and conditions of purchase, the term "agreement" is to be understood as the agreement of which these terms and conditions of purchase are an integral part.

### § 1 Prices and terms and conditions of payment

- 1.1 The prices stated in the order are fixed and will normally apply for a period of one year, unless otherwise stated.
- 1.2 If the Vendor reduces his prices before the delivery date, the Vendor is obliged to invoice the Purchaser at the reduced price.
- 1.3 The prices stated must be on Incoterms 2010-DDP/DAP, and delivered to the address notified by the Purchaser. These terms can, however, be dispensed with – if the Purchaser consents in writing prior to delivery.
- 1.4 The prices stated by the Vendor must include transportation, packaging, documentation, insurance, customs duties, taxes, other duties, fees and charges, etc.
- 1.5 The prices must be clearly stated, including the currency.
- 1.6 The Purchaser's standard terms and conditions of payment are current month + 60 days net or 8 days less 2% of the order value.
- 1.7 The payment period is calculated either from the invoice date or from receipt of goods.
- 1.8 The Purchaser is entitled to change prevailing terms and conditions, giving 30 calendar days' notice.

### § 2 Offers

- 2.1 The Vendor shall abide by his offer for at least 12 months calculated from the offer date, and the offer itself must be valid for 45 calendar days.

### § 3 Order and order confirmation

- 3.1 The Purchaser will issue an order, which may comprise multiple deliveries. The order will be sent electronically to the Vendor. The Vendor must confirm receipt of the Purchaser's order within two working days, provided that the delivery time allows for this.
- 3.2 If no order confirmation is received within this time, a subsequent order confirmation from the Vendor will not be binding for the Purchaser, unless agreed otherwise. The Vendor's order confirmation must at minimum include the following information: price, quantity, Purchaser's product number, delivery date, Vendor's order number, agreed delivery time.
- 3.3 The Purchaser is only obligated by an order confirmation which is in full agreement with the

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purchase order.

### § 4 Cancellation

- 4.1 The Purchaser is entitled to cancel the order up to two weeks before the agreed delivery date. In this event, the Vendor is not entitled to lodge a claim for reimbursement or compensation in any kind, except if the goods concerned are custom-made for the Purchaser and production is in progress.

### § 5 Delivery

- 5.1 Partial deliveries are not permitted, except by agreement with the Purchaser. The Vendor must deliver the goods to the Purchaser on the agreed delivery date, at the agreed delivery address, as stated in the order. The goods must be delivered within the Purchaser's normal hours of opening, and labelled with the Purchaser's product number, quantity delivered, certificates (where these are required and agreed) and clear product specification.
- 5.2 If supplies are damaged upon receipt, the Purchaser has the right to reject the goods and receive reasonable compensation for time spent unpacking and/or rectifying the damage.
- 5.3 Unless otherwise agreed, the weight of the individual shipment must not exceed 11 kg. Unless otherwise agreed, the quantity delivered may vary +/- 0% compared to the quantity ordered. Unless otherwise agreed, all documentation must be easily legible and written in local language.

### § 6 Delays

- 6.1 The Vendor must notify the Purchaser immediately of any actual or expected delay.
- 6.2 Unless agreed otherwise, the Purchaser is entitled to cancel the order, wholly or in part, if delivery is expected to take place later than the agreed delivery date and/or to the agreed address. Express deliveries will be made at the Vendor's expense.
- 6.3 The Purchaser can claim compensation in the form of a penalty corresponding to (x)\*times the value of the goods per week or part thereof. Regardless of whether the Purchaser elects to cancel the purchase or to uphold the purchase and claim compensation, the Purchaser is also entitled to claim compensation in accordance with the ordinary tenets of the law within the relevant jurisdiction. \*(must be agreed)
- 6.4 An alternative to the product ordered must be approved by the Purchaser in writing and the Vendor will be obliged to compensate for any consequential losses which can be attributed to the alternative product for a period of five years from the delivery date. The burden of proof rests with the Vendor.

### § 7 Shortcomings

- 7.1 The delivery will be considered deficient if it does not correspond to the specifications stipulated by the Purchaser, including agreed quality assurance, process management, measurement reports, quantities, or the Vendor's exit control, or fails otherwise to meet ordinary best practice/standards for goods of the type in question.
- 7.2 If the goods delivered are deficient, the Purchaser is entitled, at his discretion, either wholly or in part to cancel the agreement, return the goods to the Vendor at the Vendor's expense and risk, and to demand a replacement delivery of the deficient goods.

7.3 The Purchaser can also demand, possibly in combination with the aforementioned anomalies, that the Vendor remedies the deficiencies, and actively participates in exchanging or sorting the delivered goods. If the Parties agree to allow the Purchaser to sort the delivery, this work will be charged at a cost of EUR 90.00 per hour. If the agreement is not cancelled, the Purchaser is also entitled to claim a discount on the price and to claim compensation for losses in accordance with the ordinary tenets of the law within the relevant jurisdiction, including consequential costs. The Purchaser's possibly having paid for the goods does not mean that he relinquishes any claim presented to the Vendor in relation to faults and deficiencies.

#### **§ 8 Quality assurance system, regulations & standards**

8.1 The Vendor is obliged at all times to operate a quality assurance system to ensure the quality of the products and the delivery so that the Purchaser can use the products without any extra inspection. The vendor must ensure and have evidence that his scope of delivery conforms to the specification, all relevant European standards and any agreed project specific standards as well as all relevant laws, regulations and standards.

The Purchaser must have full access to inspect the Vendor's quality assurance system at the Vendor's locations.

#### **§ 9 Guarantee**

9.1 Unless otherwise agreed in writing, the Vendor shall offer a 24-month guarantee that the goods delivered by the Vendor are free of faults and deficiencies. This period is calculated from the date on which the Purchaser receives the goods.

9.2 The Vendor is also required to guarantee that the goods meet all official requirements, including environmental and safety standards.

#### **§ 10 Intellectual property rights**

10.1 All specifications, drawings, data, tools, templates and moulds, and any other materials supplied by the Purchaser and which have been manufactured or purchased by the Vendor to the Purchaser's advantage, will remain or become the Purchaser's property, and the Vendor must hand the materials over to the Purchaser at his earliest request.

10.2 If the Vendor stores goods or materials belonging to the Purchaser, these goods and materials must be clearly identified and labelled as belonging to the Purchaser, and appropriately insured.

#### **§ 11 Documentation**

11.1 Once a product (prototype/outturn sample) has been approved, the Vendor may not make changes to the manufacturing process or to the product itself without prior written consent from the Purchaser.

11.2 The Purchaser must be notified of any changes to a product and any documentation updates must be sent to the Purchaser.

**§ 12 Product liability**

- 12.1 Where product liability is concerned, the ordinary tenets of the law within the relevant jurisdiction are applicable at any time.
- 12.2 The Vendor is obliged to indemnify the Purchaser for any product liability claim that may be lodged by a third party.
- 12.3 Unless otherwise agreed between the Parties, the Vendor is liable indefinitely for his deliveries. The Vendor is liable for product damage, including consequential damage, in pursuance of the ordinary tenets of the law within the relevant jurisdiction regarding product liability, and is therefore obliged to maintain valid product liability insurance to the sum of at least EUR 3,00 million, which must be substantiated to the Purchaser's satisfaction on request.
- 12.4 If a product liability claim is lodged against the Purchaser, product liability can be enforced vis-à-vis the Vendor, who is liable on the same basis and conditions as the Purchaser if the Vendor's product is the cause of the damage.

**§ 13 Confidentiality**

- 13.1 The Vendor is obliged to treat as confidential any and all information and data concerning the Purchaser and deliveries to the Purchaser, including drawings, files, technical data, prices, agreements pertaining to the order, its presentation or completion, except when otherwise determined by invariable legislation, or if the information is otherwise generally accessible for reasons which cannot be attributed to the Vendor. In the absence of a written agreement with the Purchaser, the Vendor may not disclose to a third party that the Purchaser is the Vendor's customer, except if this occurs as a customary step in supplying deliveries.
- 13.2 If the Purchaser involves the Vendor in a development project, the Purchaser is obliged to prepare a Non-Disclosure Agreement (NDA) which both Parties must sign.

**§ 14 Corporate Social Responsibility (CSR)**

- 14.1 As a company we accomplish this by trading in a global socially responsible manner. We take ethical human rights, social conditions, working conditions, the environment and climate into consideration when evaluating Vendors.

**§ 15 Choice of law**

- 15.1 Any and all legal issues that may arise on the basis of the agreement and the present terms and conditions will be settled under the law within the relevant jurisdiction.

These terms and conditions will apply until they are replaced by a new set of general terms and conditions.