

WALRAVEN General Terms and Conditions of Purchasing

1. GENERAL

1.1 These General Purchasing Terms and Conditions (“**Terms and Conditions**”) shall apply to all purchases of Products and Services (as defined below) from the supplier (“**SUPPLIER**”) by a company within the Walraven Group (“**WALRAVEN**”), under any contract, purchase order or the like between WALRAVEN and SUPPLIER (“**Contract**”). These Terms and Conditions constitute an integral part of any such Contract, whether or not referenced therein and whether or not SUPPLIER has made an offer or confirmed a purchase order with reference to SUPPLIER’s terms and conditions. Modifications to or deviations from these Terms and Conditions are hereby rejected and shall be void unless evidenced by a written agreement duly signed by WALRAVEN and SUPPLIER.

1.2 “**Products**” means production and service parts, components, assemblies and accessories, raw materials, tooling and other products purchased by WALRAVEN from SUPPLIER.

1.3 “**Services**” means design, engineering, assembly, logistic, consulting, contracting of labour and other services provided by SUPPLIER to WALRAVEN. What is stated in these Terms and Conditions regarding Products shall in relevant parts also apply to Services.

2. FORECASTS AND PURCHASE ORDERS

2.1 A binding contract for the sale and purchase of the Products shall be considered made upon (a) receipt by SUPPLIER of a purchase order from WALRAVEN that corresponds with any existing Contract; or (b) if no Contract exists, upon WALRAVEN’s receipt of SUPPLIER’s confirmation of a purchase order.

2.2 WALRAVEN may submit periodic forecasts to SUPPLIER indicating the quantity of the Products that will be required by WALRAVEN during a specific period of time (“**Forecast**”). If WALRAVEN has not received a written objection from SUPPLIER within five (5) working days after receipt of the Forecast, the Forecast shall be deemed accepted by SUPPLIER.

2.3 Each Forecast shall represent WALRAVEN’S estimate of its needs, only, and shall not be binding upon WALRAVEN. SUPPLIER shall not be entitled to compensation from WALRAVEN for any expenses or damages resulting from any differences between the Forecast and the actual purchase orders submitted by WALRAVEN.

3. INSPECTION, QUALITY ASSURANCE ETC

3.1 WALRAVEN may, after reasonable prior notice, inspect the premises where the production of the Products takes place, and perform tests on the Products and make all necessary examinations. All inspections and tests shall be performed in such a manner as not to unreasonably interfere with SUPPLIER’S business.

3.2 SUPPLIER shall comply with the quality assurance processes, systems and standards specified by WALRAVEN, including but not limited to any required quality control before delivery.

3.3 SUPPLIER shall, upon request by WALRAVEN, supply a production or shipping sample of the Products to WALRAVEN. If WALRAVEN has approved a sample for a specific Product, SUPPLIER may not alter the design or make any other changes to the Product without WALRAVEN’S prior written approval and written confirmation.

3.4 SUPPLIER shall ensure that the agreed documentation always accompanies the delivered Products.

3.5 Acceptance tests provided for in the Contract shall, unless otherwise agreed, be carried out at the place of manufacture during normal working hours. Such tests shall be carried out in accordance with generally accepted practices for

businesses in the same line of business and operating in the same jurisdiction as the SUPPLIER.

3.6 SUPPLIER shall notify WALRAVEN in writing of the acceptance tests in sufficient time to permit WALRAVEN to be represented at the tests.

3.7 If the acceptance tests show that the Product has a Defect (as defined in Section 7.1), SUPPLIER shall without delay remedy such Defect at its own cost. New tests shall thereafter be carried out.

3.8 SUPPLIER shall bear all costs for acceptance tests carried out at the place of manufacture. WALRAVEN shall bear all traveling costs and other expenses for its own representatives in connection with such tests.

3.9 WALRAVEN’S attendance at the tests shall in no way release SUPPLIER from any obligation related to the Contract or relieve SUPPLIER from any liability and responsibility for Defects.

3.10 WALRAVEN may after prior notification reject any Products which have, in WALRAVEN’S reasonable judgment, any Defects or otherwise are nonconforming. Products so rejected and Products which are supplied in excess of quantities ordered by WALRAVEN may be returned to SUPPLIER at SUPPLIER’S own expense. In addition, WALRAVEN may charge SUPPLIER all reasonable expenses of unpacking, examining, repacking and reshipping rejected Products. In the event WALRAVEN receives Products whose Defects or nonconformity are not apparent on examination, WALRAVEN reserves the right to require replacement.

4. DELIVERY, TITLE AND PASSING OF RISK

4.1 Any agreed trade terms shall be construed in accordance with the INCOTERMS in force at the formation of the Contract. If the Contract does not designate specific trade terms, the delivery shall be made FCA SUPPLIER’S factory. Partial shipments shall not be permitted unless otherwise agreed in writing.

4.2 All Products shall be prepared, packed, stored and marked suitably for shipment so as to secure safe delivery and protect the quality of the Products. When applicable, this shall be done in accordance with WALRAVEN’S instructions and the carriers’ requirements, and SUPPLIER shall be responsible for ensuring that all shipments contain appropriate labelling and documentation.

4.3 Title of the Products shall transfer from SUPPLIER to WALRAVEN upon delivery of the Products as stipulated in this Section 4.1.

4.4 WALRAVEN may request that delivery shall be made to a recipient other than WALRAVEN, such as to a business assembling the Products or to a warehouse for storage on behalf of or as per the instructions by WALRAVEN.

5. TIME FOR DELIVERY, DELAY

5.1 The Products shall be delivered on the delivery date agreed in the Contract.

5.2 If SUPPLIER anticipates that it will not be able to deliver the Products at the agreed time for delivery, SUPPLIER shall promptly notify WALRAVEN thereof in writing, stating the reason for the delay and when delivery can be expected. If SUPPLIER fails to give such notice, WALRAVEN shall be entitled to compensation for any additional costs which it incurs and which it could have avoided had it received such notice.

5.3 If delay in delivery is caused by any of the circumstances set forth in Section 12 or by an act or omission on the part of WALRAVEN, the time for delivery shall be extended by a reasonable period of time (taking into account all the circumstances underlying the delay).

5.4 If the Products are not delivered at the agreed time for delivery (except if the delay is such that it falls within the scope of Section 5.3), SUPPLIER shall, subject to the limitations set forth in Section 15.2, indemnify and hold WALRAVEN harmless for all direct, indirect, incidental and consequential damages, losses, costs and expenses awarded against or incurred or paid by WALRAVEN as a result of or in connection with interruption or delays in

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WALRAVEN's production or WALRAVEN's final customer caused by SUPPLIER's delay.

- 5.5** In addition to and without limiting SUPPLIER's indemnification obligation set forth in Section 5.4, SUPPLIER shall also pay the following to WALRAVEN as liquidated damages to compensate for other damages, losses, costs and expenses than those caused by interruption or delay in WALRAVEN's production: (i) during the first week of delay no liquidated damages shall be payable; (ii) during weeks two (2) through six (6) of delay, liquidated damages shall be payable at a weekly rate of two (2) per cent of the total price for the delayed Products, with a maximum limit of compensation of ten (10) per cent of such total price. SUPPLIER acknowledges that it would be very difficult to accurately quantify and prove the damages, losses, costs and expenses compensated for under this Section 5.5, and agrees that the liquidated damages set forth herein are reasonable as to amounts and other terms.
- 5.6** If the delay in delivery exceeds three (3) weeks, then WALRAVEN may by notice in writing to SUPPLIER terminate all or any portion of the Contract and/or outstanding orders (including orders for Products which WALRAVEN is unable to use as intended due to the delay). If WALRAVEN terminates the Contract or any outstanding orders, WALRAVEN shall be entitled to compensation for all direct and indirect losses and damages it has suffered as a result of the delay.
- 5.7** WALRAVEN shall also have the right to terminate the Contract and/or any outstanding orders by notice in writing to SUPPLIER if it is clear from the circumstances that there will be a delay in delivery in excess of three (3) weeks.
- 5.8** WALRAVEN shall not be obliged to accept deliveries of Products at a date which is earlier than the agreed date unless WALRAVEN has given its prior written approval thereto.
- 5.9** If WALRAVEN fails to accept delivery at the agreed delivery date, SUPPLIER shall arrange for reasonable storage of the Products at the risk and expense of WALRAVEN. SUPPLIER shall also, if WALRAVEN so requests, insure the Product at WALRAVEN's expense.
- 6. PRICE AND PAYMENT**
- 6.1** The prices for the Products stated in the Contract shall be firm, and no surcharges, premiums or other additional charges of any type shall be added without WALRAVEN's prior written consent. SUPPLIER expressly assumes the risk of any event or cause (whether or not foreseen) affecting such prices, including any foreign exchange rate changes, taxes, increases in raw materials costs, inflation, increases in labour and other manufacturing costs.
- 6.2** Payments for the Products shall be made within the agreed payment term following the date of the invoice. SUPPLIER may not invoice WALRAVEN until after physical delivery of the Products. Payment shall be made in the currency stated in the Contract. If no currency is stated, WALRAVEN shall make payment in EUR.
- 6.3** WALRAVEN is entitled to withhold payment of the purchase price in the event SUPPLIER has breached any of its obligations under the Contract or these Terms and Conditions.
- 6.4** Payment will not constitute acceptance of any Defect in the Products or nonconforming Products, nor shall it limit or affect any of WALRAVEN's rights or remedies.
- 6.5** WALRAVEN will administer on a "**Net Settlement Basis**" all of the accounts of SUPPLIER arising from the Contract and all other agreements entered into by SUPPLIER and any companies of the Walraven Group. Net Settlement Basis means that, unless prohibited by law, WALRAVEN may set off and recoup against WALRAVEN's accounts payable to SUPPLIER any amounts which WALRAVEN determines in good faith that SUPPLIER is liable for under

any Contract, or other agreements with SUPPLIER. WALRAVEN may do so without notice to SUPPLIER.

7. WARRANTY AND LIABILITY FOR DEFECTS

- 7.1** SUPPLIER warrants that the Products shall be free from all Defects during the Warranty Period. A Product shall be considered to have a Defect if it:
- 7.2** (a) in any respect deviates from the drawings, specifications, statements of work, samples and other descriptions, technical specifications and requirements relating to the Products that have been furnished, specified or approved by WALRAVEN;
- 7.3** (b) does not comply with all applicable laws and regulations of the countries in which the Products are sold by WALRAVEN;
- 7.4** (c) is not free from defects in design, materials and workmanship;
- 7.5** (d) does not conform with the relevant samples approved by WALRAVEN or with the adjusted quality required by WALRAVEN;
- (e) does not conform with the requirements set forth in Section 4.2; or
- (f) is not suitable or safe for their intended use, including the specified performance in the component, system and subsystem location specified by WALRAVEN and the environment in which the Products are or reasonably may be expected to perform.
- The defects described above are herein referred to as "**Defects**".
- 7.6** WALRAVEN shall notify SUPPLIER in writing of any Defect. The notice shall contain a description of the Defect.
- 7.7** SUPPLIER shall remedy any Defect within the time period and at the location reasonably requested by WALRAVEN, through repair or replacement of the Product or any parts of the Product. Unless instructed otherwise by WALRAVEN, SUPPLIER shall at its own expense arrange for any dismantling and reassembly of equipment (including the Product), to the extent necessary to remedy the Defect.
- 7.8** WALRAVEN is permitted to remedy a Defect itself if (a) SUPPLIER has not remedied the Defect in accordance with Section 7.3, (b) WALRAVEN has already incorporated the Product in its own goods (including in any pre-assembly processing); (c) the remedial work cannot be performed without disruption to or delay in WALRAVEN's or WALRAVEN's customers' operations; or (d) the remedial work would cause WALRAVEN to incur additional costs. WALRAVEN may remedy a Defect by (i) rejecting the Products having a Defect, returning them to SUPPLIER and requesting redelivery of Products without Defects; or (ii) retaining the Products and repairing them itself or through a third party. SUPPLIER will be responsible for all costs expenses relating to the remedial actions undertaken by WALRAVEN and/or SUPPLIER.
- 7.9** Subject to Section 15.2, SUPPLIER shall indemnify and hold WALRAVEN harmless for all direct, indirect, incidental and consequential damages, losses, costs and expenses awarded against or incurred or paid by WALRAVEN as a result of or in connection with a Defect, even if the Defect has been remedied. These include, but are not limited to, or the Products, interruptions or delays in production, reduced line-speeds, and plant shutdowns.
- 7.10** Unless otherwise agreed, necessary shipping, storage and handling of the Product and/or parts thereof in connection with the repair or replacement of Products or Defects shall be at the sole risk and expense of SUPPLIER.
- 7.11** Defective parts which have been replaced shall be SUPPLIER's property.

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8. PRODUCT LIABILITY AND INSURANCE

8.1 SUPPLIER shall indemnify, defend and hold harmless WALRAVEN from and against all direct and indirect losses and damages arising out of personal injury or property damage having been caused by or resulted from a Defect in a Product.

8.1.1. If a claim for damage as described in Section 8.1 arises, WALRAVEN shall notify SUPPLIER and SUPPLIER shall promptly provide WALRAVEN with written confirmation of its undertaking to defend such claim. SUPPLIER and WALRAVEN shall be mutually obliged to let themselves be summoned to the court or arbitral tribunal examining claims for damages filed against one of them on the basis of such personal injury or property damage.

8.2 If there is a risk of a Product causing personal injury or property damage due to a Defect, such that WALRAVEN reasonably decides to recall that Product or take any other preventive measure,

SUPPLIER shall compensate WALRAVEN for all losses and costs incurred by WALRAVEN in conjunction with such recall or measure.

8.3 SUPPLIER shall obtain and maintain an adequate general liability insurance (including product liability insurance), with an insurance provider and with a coverage reasonably acceptable to WALRAVEN, and shall at WALRAVEN'S request supply WALRAVEN with a copy of relevant insurance policies.

9. TOOLING

9.1 SUPPLIER shall comply with the below-stated requirements with regard to tools, jigs, fixtures, moulds and other equipment supplied by WALRAVEN or specially manufactured or adapted for manufacture or quality control of Products ("Tooling"):

(a) SUPPLIER shall properly maintain the Tooling, so as to ensure manufacture of Products free of Defects.

(b) WALRAVEN shall be entitled to acquire for a reasonable charge and thereafter to freely utilize, such Tooling as is owned by SUPPLIER, when deliveries of the relevant Product to WALRAVEN for serial production shall cease.

(c) SUPPLIER shall ensure that the Tooling is stored in a safe and adequate manner and that it is insured for an amount equivalent to its replacement cost.

9.2 In addition, the following shall apply to Tooling owned by WALRAVEN:

(a) SUPPLIER shall mark such Tooling in such a way that WALRAVEN'S ownership is clearly shown, and shall refrain from commingling the Tooling with property owned by SUPPLIER or a third party.

(b) SUPPLIER shall inform insurers as to the fact of WALRAVEN'S ownership.

(c) SUPPLIER may not without WALRAVEN'S written consent use Tooling for production for its own account or that of any third party.

(d) SUPPLIER shall, when production of the relevant Products has ceased or otherwise at WALRAVEN'S request, return the Tooling to WALRAVEN at SUPPLIER'S expense.

For avoidance of doubt, the ownership of the Tooling remains with WALRAVEN even if the accumulated cost of maintenance of the Tooling paid by SUPPLIER should exceed the initial value of the Tooling.

10. CONFIDENTIAL INFORMATION

10.1 Neither party may disclose confidential information obtained by the other party before or during the term of the Contract, or use it for any purposes other than the performance of the Contract. The existence and terms of the Contract are confidential. This restriction shall not apply to (i) information which is or comes into the public domain (without having been disclosed by the receiving party), (ii) information which was known to the receiving party prior to the disclosure; and (iii) information required to be disclosed by applicable law or governmental regulation or by any competent judicial or administrative body or governmental authority, provided that the receiving party has promptly informed the disclosing party of the proposed disclosure, so as to give the disclosing party a reasonable opportunity to obtain a protective order or similar form of relief.

10.2 Upon termination of the Contract, or at any other time the disclosing party requests, the receiving party shall return or, if the disclosing party requests,

destroy all confidential information of the disclosing party without retaining any copies.

10.3 All drawings and technical documents relating to the Product or its manufacture submitted by one party to the other, prior or subsequent to the formation of the Contract, shall constitute confidential information. Such documents may not, without the consent of the disclosing party, be used, copied, reproduced, transmitted or communicated to a third party.

11. FORCE MAJEURE

11.1 Either party shall be entitled to suspend performance of its obligations under the Contract to the extent that such performance is impeded or made unreasonably onerous by any circumstance beyond the control of the parties and that could not be foreseen at the formation of the Contract, such as fire, war, extensive military mobilization, insurrection, requisition, seizure, embargo and defects or delays in deliveries by sub-contractors caused by any such circumstance referred to in this Section 11.1 ("Force Majeure").

11.2 A party may invoke a Force Majeure event under Section 11.1 only if it has notified the other party in writing without delay of the occurrence and potential effects of the event. A party shall also without delay inform the other party of the cessation of such event.

11.3 Either party shall be entitled to terminate the Contract by notice in writing to the other party if performance of the Contract is suspended under Section 11.1 for more than ninety (90) consecutive days.

12. REACH REGULATION

12.1 ALL suppliers that provide products to Walraven shall comply with the reach regulation to assure all materials and processes in use for products provided to WALRAVEN do meet, or exceed all applicable environmental laws and regulations. Products supplied by Supplier to Walraven do meet regulations as stated in the SVHC list. Website: [https:// https://echa.europa.eu](https://echa.europa.eu). Supplier will upon request provide a reach declaration to Walraven stating that products supplied are in line with reach regulations.

13. SUB-CONTRACTORS

13.1 SUPPLIER may not appoint sub-contractors for the manufacture of Products, unless SUPPLIER has first obtained WALRAVEN'S express approval in writing.

13.2 If Supplier has subcontracted certain obligations under a Contract to a certain sub-contractor, SUPPLIER shall still remain primarily responsible to WALRAVEN for the performance of such sub-contractor's obligations and SUPPLIER shall be responsible for the acts or defaults of the sub-contractor, as if they were the acts or defaults of SUPPLIER. SUPPLIER shall ensure that the provisions of Sections 3, 4 become a part of its agreements with the sub-contractors for all goods or services that are used in the Products.

14. PREMATURE TERMINATION

14.1 Either party is entitled to terminate the Contract with immediate effect and without incurring any liability for compensation due to such termination, if

(a) the other party enters into composition negotiations, is declared bankrupt, goes into liquidation or for any other reason can be assumed to have become insolvent; or

(b) the other party commits a material breach of its obligations under the Contract (including but not limited to these Terms and Conditions); and does not undertake complete rectification within thirty (30) days of receipt of written notice to that effect. In the event of a material breach by any of the parties, the other party shall be entitled to recover all reasonable costs and attorneys' fees incurred when enforcing or defending its rights hereunder.

15. LIMITATION OF LIABILITY

15.1 Save as otherwise provided for in the Contract or these Terms and Conditions, neither party shall be liable towards the other party for loss of profit, loss of

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use, loss of contracts or for any other consequential or indirect loss whatsoever.

- 15.2** SUPPLIER's liability for consequential and indirect losses under Sections 5.4 and 7.5 shall be limited to a maximum amount of EUR 5,000,000, except if such losses were caused by SUPPLIER's gross negligence or intentional acts or omissions.

16. MISCELLANEOUS

- 16.1** Neither party may transfer or assign its rights or obligations under a Contract without the written consent of the other party. Notwithstanding the previous sentence, WALRAVEN may transfer or assign such rights and obligations to any other company within the WALRAVEN of companies, or to any successor by acquisition or merger, without the prior consent of SUPPLIER.
- 16.2** SUPPLIER acknowledges that it is entering into the Contract only with the contracting WALRAVEN entity and that each WALRAVEN entity is operating on a stand-alone basis, and SUPPLIER further acknowledges and agrees that any claims against WALRAVEN shall only be made against the contracting WALRAVEN entity (or such WALRAVEN entity to which the Contract has been transferred or assigned in accordance with Section 16.1). WALRAVEN expressly disclaims and renounces any form of cross-guaranties or similar intra- responsibility between the WALRAVEN entities and other entities within the Walraven worldwide, which SUPPLIER acknowledges by entering into the Contract with the contracting WALRAVEN entity.
- 16.3** Each party shall keep the other party reasonably informed on all matters that could be considered to be of importance to the parties' performance under the Contract.

17. APPLICABLE LAW; JURISDICTION; ARBITRATION

- 17.1** All disputes arising out of or in connection with the Contract shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with the said rules. The language of the arbitration proceedings shall be English. The seat of arbitration shall be Amsterdam the Netherlands
- 17.2** The Contract shall be governed by the substantive law of the country where WALRAVEN's principal place of business is situated.