

General Conditions of Purchase

Applicability

- 1.1 These General Conditions of Purchase shall apply to all agreements, orders and price-enquiries with and by Pipelife ... (respective country), hereinafter "we" or "us" and the supplier's conditions of sale or any other General Terms are excluded.
- 1.2 Orders and related agreements including amendments and additions thereto shall only be binding upon us if they have been confirmed in writing, signed by an authorised official of our company.

Trade terms

2. Delivery shall be "Delivered Duty Paid" (DDP our business facility), unless agreed otherwise in writing. The Incoterms ~~2013~~ 2010 shall apply.

Transportation and packaging of (dangerous) products

3. When forwarding for transportation and transporting (dangerous) products the supplier shall strictly adhere to statutory provisions and provisions of international treaties, conventions and/or agreements relating to the products, applicable in the countries of production, transit and destination. The supplier shall indemnify and hold us harmless for any damages due to the supplier's non-compliance with the provisions mentioned before. We reserve the right to return the packaging materials to the supplier of the products on Supplier's costs.

Default

- 4.1 If the supplier fails to deliver the products and/or services, only partially delivers the products and/or services, delivers late or not in conformity with the agreed specifications, the supplier will be deemed to be in default without notice of default being required. In that case we may at our option:
 - a) enable the supplier to fulfil his obligations within a reasonable term to be determined by us, or
 - b) terminate the agreement in full or in part, however, in any case with the right -except in case of force majeure- to recover from the supplier all damages and expenses resulting from the default.
- 4.2 Only upon our prior written consent supplier may carry out the agreement, in full or in part, before the agreed delivery date.

Inspection and Acceptance

- 5.1 Inspection of the products on the supplier's premises neither implies delivery nor acceptance or transfer of risk of such products.
- 5.2 Risk will only pass on to us when title passes – i.e. as long as we do not become owner of the products the risk still remains with supplier.
- 5.3 Retained ownership cannot be accepted.
- 5.4 We are entitled to inspect all deliveries after their arrival at the final destination, after assembly, start-up or other activities carried out in accordance with the agreement, as to their conformity with the agreed specifications, drawings, models and approved samples. In case products and/or services do not conform thereto we shall notify the supplier thereof within adequate time in writing. We are entitled at any time, either to return the rejected products at the risk and expense of the supplier, or to retain same until the supplier has given instructions as to their disposal. From the day of dispatch of the written notice the risk of the products shall pass to the supplier.

Supplier's obligations

- 6.1 By accepting the agreement, the supplier commits himself to execution thereof according to the delivery schedule agreed upon and warrants:
 - a) that all products and/or services delivered are in conformity with the agreed specifications, drawings, models and approved samples; and
 - b) that the products and/or services are fit for the purpose for which they are destined, to the extent that this purpose has been communicated to the supplier, or to the extent that the supplier can be reasonably expected to be cognisant thereof. If the agreement (also) implies the supply of services, the supplier guarantees that the said services shall meet the standards and/or criteria agreed upon and that they shall be carried out according to the highest standards of professionalism and craftsmanship.
- 6.2 The supplier also warrants that products delivered remain fit for the purpose for which they are destined for such a period as reasonably may be expected for such products, provided this purpose has been communicated to the supplier, or provided the supplier can be reasonably expected to be cognisant thereof, yet at least for a period of 12 months after the products have been put into use and 18 months after delivery.
- 6.3 Furthermore the supplier warrants that the products delivered, irrespective of any warranty period, are free from faults in design, manufacture and materials and from other imperfections. He further warrants that the products and their packing, at the agreed delivery date, comply with all legal regulations with regard to inter alia public health, safety and environment in the country of origin, in the country for which the products are destined, if this destination has been announced to the supplier, or if he could reasonably be cognisant thereof. In particular Supplier warrants that its products are REACH compliant and are CE certified as far as such are applicable for the products in question.
- 6.4 In case of defect Supplier shall either repair or replace the defective product within a reasonable time period, which is in no event longer than 4 weeks. Should Supplier fail to remedy any defect within 4 weeks we may either terminate the contract and return the products upon simultaneous return of all payments made by us or allow Supplier another chance to repair the defect. In both alternatives we are entitled to claim compensation for the damage suffered including compensation for the reduced production, and compensation for higher costs due to the purchase of an alternative product. Only in case the Parties agree on it defects may be settled by price reduction.
- 6.5 The warranty period is at least 3 years from acceptance of the products. Should any defects need to be cured the warranty period will only start from the final repair of such defects.
- 6.6 Supplier warrants that it is the unencumbered owner of the products to be supplied and that it is capable and legally entitled to transfer ownership in the products to us.
- 6.7 Supplier particularly warrants that the products and the operation of the products will in no way infringe any Intellectual Property Rights of any third party including, but not limited to, patents, designs, trademarks at least in the country of origin and in the country of delivery. Supplier further warrants that products manufactured upon the proper use of the product will also not violate any Intellectual Property Rights. In case of any claim brought against us for violation of any Intellectual property Rights Supplier will fully reimburse us.
- 6.8 It is expressly agreed that Supplier may not rebut any claim for failure of immediate notification of the underlying defect, claim etc. However, Supplier may set off any damages arisen to it due to the unduly late information of such defects, claims etc. against the claim made by us.

Designs, specifications etc.

- 7.1 All designs, specifications, calculations, etc. to be produced by the supplier, in whatever form, as a result of the agreement shall be sent to us as soon as possible. In such case, the supplier shall only start the production of the products concerned after having obtained the prior written approval of an authorised official of our company.
- 7.2 Supplier is solely responsible for deciding on and selecting any designs, specifications, calculations etc. which need to be appropriate for the purpose of the supplied goods, even if such were provided by us, unless we insist against his clear written advice on a design, specification, calculation etc. in which case supplier only needs to make us aware of any obvious mistakes before the start of the production. Mistakes detected must be reported to us immediately.
- 7.3 The supplier always remains fully responsible for the accuracy of information provided by him.

Installation

- 8.1 If the agreement consists of or includes installation, assembly, start-up or any other activity to be performed by the supplier, such activities shall be carried out at the full expense and risk of the supplier; the supplier must obtain the prior written permission of an authorised official of our company before sub-contracting any of his obligations under the agreement. Such consent shall not be unreasonably withheld, but the supplier shall remain fully liable for any default of the called in third party(ies). The supplier guarantees that all activities shall be performed according to prevailing legal requirements and according to the applicable mounting, installation and start-up instructions.
- 8.2 The supplier undertakes to carry adequate insurance against all costs, liabilities, claims or proceedings, for which the supplier may be held liable as a consequence of the performance, or non-performance of the agreement, whether caused by the supplier, his servants or called in third party(ies) and he shall provide proof thereof at our request.
- 8.3 The supplier warrants that he shall become acquainted with the safety regulations that have been provided to him and with other (special) regulations, that he shall act in conformity with these regulations and that he shall comply with all instructions given by us in relation thereto. If the above mentioned regulations are not observed, an authorised official of our company may suspend the work in progress.

Auxiliary materials

- 9.1 All auxiliary materials such as moulds, films, stamps and designs, which the supplier, in whatever form, has purchased or produced for the execution of the agreement shall become our property immediately upon receipt thereof by supplier or upon their completion.
- 9.2 All materials supplied by us for the execution of an agreement, such as prescriptions, designs and other aids, shall remain our property under any circumstances. The supplier shall clearly identify these materials as being our property, indicate our ownership to third parties which might be seeking recourse against these materials and inform us thereof at once. The supplier is not entitled to use these materials for purposes other than the execution of the agreement.
- 9.3 The use, maintenance and possible repair of auxiliary devices which have been made available by us to the supplier are at all times the responsibility and risk of the supplier.

Intellectual property

- 10.1 As far as not already contained in Clause 6 the supplier warrants that the use and/or (re)sale of the products and/or services delivered does not infringe any intellectual

property rights of third parties and the supplier shall safeguard us against any claims in such respect.

- 10.2 The intellectual property rights on all designs, specifications, calculations, etc. irrespective of their form, which are produced by supplier, according to the agreement, belong to us at all times.

Non-disclosure

11. The supplier shall keep confidential and not disclose to third parties any business or other information relating to our activities, which he might acquire through an agreement. The supplier shall only use such information for the execution of the agreements. The supplier shall impose a similar obligation of non-disclosure and non-use upon his staff and upon called in third party(ies), if any, and he shall warrant the fulfilment of such obligation. Unless prior written permission has been given, the supplier shall in no way whatsoever inform third parties of the fact that he supplies, shall supply or has supplied to us.

Payment

12. After acceptance of the executed agreement, we shall pay the invoice provided by or on behalf of the supplier within 60 (sixty) days, unless agreed otherwise in writing. Payment of invoices shall never imply a waiver of any of our rights or the acceptance of any state of the products regarding the agreed performance of the supplier.

Conflict with the Statutory Provisions

13. In the event that any provision contained in these General Conditions of Purchase is not applicable or in conflict with public order or the law, the Parties will in good faith negotiations try to agree on a valid provision coming as close to the original provision as possible. In any event all the other not affected clauses of these General Conditions will remain in full force and effect.

Applicable law

14. Any agreement to which these conditions apply in full or in part, shall exclusively be governed by the laws of ... (*ordering Pipelife company*), without recourse to its conflict of law principles. The United Nations Convention on Contracts for the International Sale of Goods, concluded at Vienna, on 11 April 1980 is excluded.

15. Settlement of Disputes

Any dispute between parties which cannot be settled amicably shall be settled by the competent court in (*location of ordering Pipelife company*).