

GENERAL PURCHASE CONDITIONS

1. **APPLICABILITY**

These general purchase conditions are applicable to all purchase orders and agreements on which Kimman Process Solutions B.V. buys goods and/or services and requests for quotation. Purchase orders and agreements thereto related, as well as adjustments and additions thereto, are only binding for Kimman Process Solutions B.V. (hereafter referred to as KPS) if they have been placed or confirmed in writing by the Purchase Department. Execution of said orders, agreements and quotations shall be solely based on these general purchase conditions.
2. **PRICES AND DELIVERY ADDRESS**

Unless otherwise agreed in writing all prices stated in an agreement are binding, excluded VAT and delivery DAP for EU suppliers and DDP for non-EU suppliers (according Incoterms 2010, dated January 1, 2011) at agreed delivery address, as mentioned below:

 - Florijnstraat 95, 2988 CL Ridderkerk (The Netherlands); or,
 - Dienstenstraat 25, 3161 GN Rhoon (The Netherlands); or,
 - Brassto Coating B.V., Nieuwland Parc 168, 3351 LJ Papendrecht (The Netherlands)
3. **DELIVERY DATE**

The supplier shall execute the order(s) within the agreed time frame. All agreed time frames are considered fatal. In the event of early execution of all or part of the order, which is permitted only with the prior written approval of KPS, payment will nevertheless be effected as if the initially agreed time(s) had been adhered to.
4. **DELIVERY**

The supplier guarantees that all the goods delivered are fit for the purpose for which they are destined, provided that either he has been informed of such purpose or the same was otherwise reasonably known to him. Supplier also guarantees that the goods are in conformity with the agreed specifications and, if applicable, approved samples and further that the goods are of sound workmanship, of good quality and free from faults in manufacturing and material. The goods and their performance shall satisfy mandatory regulations relating to a.o. health, safety and the environment valid in the country for which the goods are destined if this destination was communicated to him or was otherwise reasonably known to him.
The guarantee period for the delivered goods is 24 months after delivery.
5. **DOCUMENTS**

The follow documents are requested for each purchase order.

 - Progress report on weekly / bi-weekly (as per PO requirement)
 - Unpriced copies of bodies and/or major parts (as per PO requirement)
 - Certificate of Origin (for non-EU suppliers) or Suppliers declaration of origin (EU suppliers)
 - Packing lists, completed with HS codes per line item

Important: If components are listed as dual use:
<http://ec.europa.eu/trade/import-and-export-rules/export-from-eu/dual-use-controls/>
Attach separate list with these items including applicable codes
6. **ASSESSMENT**

6.1 KPS shall be entitled to inspect the goods intended for delivery to KPS at the factory of the supplier or its sub supplier. Such inspection does not imply delivery, taking-over or acceptance of those goods. The goods remain for the account and at the risk of the supplier until the risk has passed on to KPS in accordance with the agreed terms of delivery.

6.2 If so needed a quality assessment will be performed (second party assessment)

6.3 KPS shall be entitled to inspect the goods upon their arrival at the ultimate place of destination within a reasonable period after receipt, in order to ascertain that goods meet the set requirements, particularly those specified in point 4. In case of shortcomings which KPS could not reasonably discover or which could not have been found during a thorough inspection, KPS shall still be entitled to reject the goods even after expiration of the said reasonable period taking into account the provisions as set forth herein below.

6.4 In the event of rejection, KPS shall inform the supplier in writing as soon as possible, stating the reason which led to the rejection. At our discretion, rejected goods will be returned to the supplier or retained until the supplier has given us further instructions as to their disposal. Rejected goods will be for the supplier's risk as from the moment of dispatch of the notice of rejection to the supplier. From the date of dispatch of said written notice to the supplier the property of the goods shall pass to the supplier. The supplier shall refund on our first demand, without delay and without any deduction, all amounts paid by us relating to the rejected goods, works or services.

6.5 Rejection can lead to supplier obligation to perform a RCA (Root Cause Analysis) and/or EDR (Efficiency Deviation Report.)
7. **INVOICING AND PAYMENT**

7.1 The supplier must state the specified order number, the commissioning party's item numbers, quantities, correct descriptions and the agreed prices on the invoice. Invoices which do not meet these requirements will be returned to the supplier with the request to include the missing details.

7.2 Unless otherwise agreed in writing, payment shall be effected after the order has been duly executed and after receipt of the relevant invoice, in accordance with the agreed payment terms unless KPS has objected to the way in which the order has been executed. Unless otherwise agreed in writing our general term of payment is 100% after 60 days. The payment being done does not waive our rights.

7.3 KPS shall be entitled to offset amounts due by us to the supplier, with amounts due by the supplier to KPS. Where, in the event of offset, amounts are quoted in different currencies KPS shall decide in which of these currencies the offset shall be affected. Conversion shall be effected at the rate of exchange valid at the due date of payment of the relevant invoice(s).
8. **PACKING & DANGEROUS GOODS**

Packing should be in accordance of:

 - a. Suppliers standard, suitable packed against damage, dirt and water. Or, if applicable;
 - b. Packed according the client packing & transport specifications (Specification is attached)

When offering for transport or transporting dangerous goods the supplier shall strictly adhere to statutory provisions and provisions of international treaties, conventions and agreements relating to transport of goods applicable in the countries (to be communicated by KPS or otherwise reasonably known to the supplier) where the goods will be transported. The supplier shall provide written information regarding the composition of dangerous goods so that transport, warehousing and processing thereof may be effected in compliance with the relevant provisions of laws, international treaties, conventions and agreements applicable in the countries referred to in the foregoing paragraph. All in accordance with REACH (regulation of the European Parliament and of the Council concerning the Registration, Evaluation, Authorization and Restriction of Chemicals) and

Automatic Gas Sampling

ROHS (Restriction of Hazardous Substances). The supplier will not be released from his obligations under this point 8 by relying on information provided by KPS regarding the above mentioned provisions.

9. CONFIDENTIALITY

All data and information obtained from KPS, whether verbally or in writing, shall be applied by the supplier for the execution of our order(s) only. All such data and information shall remain our property and, if in written form, shall be returned to us immediately upon our first request, together with all copies thereof. All data and information shall be kept in strictest confidence by the supplier and he shall not refer thereto nor to the fact that he supplies or has supplied KPS in any publications, advertisements or other verbal or written form unless with our prior written approval. Confidential data is secured by KPS Privacy Policy, which fulfills a legal requirement to protect a customer or client's privacy.

10. LIABILITY

10.1 If the supplier does not - or late - delivers the performance with him agreed, the Supplier is legally in default and liable for all loss KPS has suffered and is still going to suffer. KPS has at her discretion the right to:

- a. to give the supplier the opportunity to remedy his failure within a time frame to be fixed by KPS, or
- b. to cancel the order wholly or partially without a written notice of default; KPS shall also be entitled to cancel the order in the same manner in the event that the supplier shall not have remedied his failure within the time frame fixed by KPS in accordance with point 10.a.

10.2 In either case the supplier is liable for all losses, damages, costs and expenses including fines which we may incur directly or indirectly as a result of such failure.

10.3 The supplier shall sufficiently insure itself on account of its liability by virtue of the law and/or the agreement towards the commissioning party and remain insured. Furthermore insure it and remain insured against all risks covering this contract. At the request of KPS the supplier will immediately submit (an authenticated copy of) the insurance policies and proof of payment of the premiums.

10.4 The fact that KPS omits to insist on supplier's compliance to his obligations shall not be construed as a waiver of its right to still demand from the supplier strict compliance with such obligations within a reasonable time.

10.5 In case of late delivery by the supplier a penalty is applicable of 1% per week, with a maximum of 15% of the total order value. In case KPS has a contract with the client with conditions 'no harm, no fault' a penalty will not be applicable.

10.6 All costs for additional- or re-inspections and/or expedite visits and/or engineering hours due to late delivery will be charged to the supplier, with a mark-up of 10%.

11. FORCE MAJEURE

The supplier shall not be liable for any failure of or delay in the performance of the purchase order and/or agreement for the period that such failure and/or delay is beyond the reasonable control of a party by an event of war, riots, fire, flood, hurricane, typhoon, earthquake, lightning, explosion, strikes, lockouts, slowdowns, prolonged shortage of energy supplies, and acts of state or governmental action prohibiting or impeding any party from performing its respective obligations under the contract.

If such event of force majeure is applicable, supplier has to inform purchaser within 5 working days by official letter.

12. OUTSOURCING

Unless otherwise agreed in writing supplier is not entitled to have KPS orders being produced or executed by a third party.

13. APPLICABLE LAW AND DISPUTES

12.1 All orders and agreements relating thereto shall be governed and construed in accordance with Dutch Law. All arising disputes shall be determined only by the competent court in Rotterdam, without prejudicing the right to appeal and cassation.

12.2 The UN Convention on International Sale of Goods (Vienna Sales Convention) does not apply to these General Purchase Conditions.

14. FINAL PROVISION

All suppliers are expected to adhere to the "Ten Principles" of the United Nations Global Compact, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption.

15. ENVIRONMENT

KPS feels responsible for people and the environment, in accordance with ISO 14001 with the focus on specific environmental challenges such as climate change that we expect our suppliers, whether or not certified for this.

16. DISCLAIMER

The terms and conditions of the supplier will not be accepted and are not applicable.

17. COVID-19

COVID-19 means the coronavirus disease 2019 as defined by the World Health Organization.

Preventative measures means all reasonable preventative measures, whether temporary or permanent in nature, which are necessary for a party to perform its obligations under this PO cognizant of COVID-19 as at the date of entering into the PO.

The supplier confirms that it has satisfied itself of, and hereby confirms to have implemented or will implement preventative measures.

The supplier acknowledges that any failure by the supplier to do so will not relieve the supplier from any of its obligations under this PO. Purchaser may at any time request evidence of the preventative measures implemented by supplier.

Notwithstanding all the above, the parties recognize the uncertainty surrounding COVID-19 and its potential impact on a parties ability to perform its obligations under this PO. In the event that a party is delayed, hindered or prevented from performing any of its obligations under this PO for any COVID-19 related circumstance not reasonably foreseeable at the time of entering into this PO and which could not have been prevented by taking preventative measures, then the parties will treat such circumstance on its own merits to be assessed pursuant to and in accordance with force majeure (clause 11).

The supplier shall use its best endeavors to procure that its subcontractor comply with the terms and conditions set out in this Clause (COVID-19).