

## **General Purchase Conditions (GPC) Solid Semecs BV and affiliated Semecs companies**

Hereinafter-called Semecs

### **Article 1 - Applicability**

These GPC are applicable to all inquiries, supplier quotations, orders and purchase contracts made by and for Semecs. Any general- and/or sale- and/or supply conditions from supplier are expressly excluded from any applicability for Semecs. The GPC are deemed to have been accepted by supplier, when supplier acknowledges or performs according to the request from Semecs. Only after mutual acceptance in writing, any addition or deviation to these GPC can be binding. The acceptance of delivered goods or services, as well as the payment from Semecs for the performance related, can never imply agreement to the conditions of sale from Supplier. Under "product" or "products" mentioned in these GPC it reads as well as goods as activities and/or services.

### **Article 2 - Acceptance**

The supplier must always confirm orders from Semecs by returning a signed copy of Semecs' order confirmation, within 14 days, unless the order states a different time-frame. Semecs is allowed to withdraw any orders as long as the supplier hasn't confirmed the order. Any alterations and / or additions made at orders, frame-contracts and purchase contracts by the supplier aren't binding to Semecs even when Semecs hasn't protested.

### **Article 3 - Price(s)**

After signing of the order confirmation the named price(s) is/are fixed and are not to be changed single-handedly by the supplier. Prices include import rights and duty. Extra labor or extra deliveries can only be invoiced to Semecs in case of an additional written order by Semecs.

### **Article 4 - Delivery**

Delivery is free destination at the address and time c.q. within the time frame mentioned at the order confirmation. A packing list on which the order number and, in case applicable, the article code number(s) of Semecs, a description and the right number of products has to be included with each delivery.

## **Article 5 – Quality and description**

The products, which are to be delivered are to be new (unless agreed, in writing, differently), according the agreed subscriptions and requirements, the\ required qualities, c.q. the outcome which can be reasonably expected according the agreement. The delivered products will have to meet the by Semecs approved samples and the relevant Dutch regulations (by law) and socially accepted values according, for instance, quality, security, environmental aspects and electromagnetic interference or applying to the country the products are destined to, in case this has been notified to the supplier. Semecs will have to be notified before the deliverance in case of any toxic or for health or environment harmful material.

## **Article 6 - Regulatory and Statutory Compliance, Corporate Social Responsibility and Sustainability**

Semecs suppliers shall adhere to and pass down all applicable statutory and regulatory requirements to their suppliers in the entire supply chain. The supplier shall apply the legal requirements of the production location and of the country of use (if named by Semecs) to all products, processes or services internal and external). Semecs expects its suppliers and sub-suppliers to adopt and adhere to our minimum expectations towards business ethics, working conditions, human rights and environmental leadership. These expectations are same as are described in Semecs Code of business conduct and ethics available for download on the Semecs website.

## **Article 7 – Deliverance time**

The supplier is obligated to hold to the agreed deliverance date strictly. In case overrunning the deliverance time, the supplier is obligated to pay to Semecs a directly demandable penalty of 0.5% of the agreed price for every day the delivery has been delayed, with a maximum of 10% of the value of the order. Semecs will retain her rights to cancel her order fully or partially, without proof of default or lawful interference. Next to this Semecs has the right to claim full compensation instead of a penalty.

## **Article 8 – Place of delivery**

The place of delivery is indicated on the order. By wrongly indication of address by the supplier additional costs for (correct) delivery are for the supplier. In case the prices have been agreed to be ex works the delivery is to be free destination, after all, to the (correct) place of delivery in which case – on conditions that parties have agreed on the choice of transporting agent – the transport costs could be invoiced. In case the products

are to be picked up by or on behalf of Semecs the supplier has to offer help loading without charge of costs. Unless indicated differently in these conditions the interpretation of the agreed delivery condition(s) will occur according the current conditions of the Incoterms on the date of offering.

## **Article 9 - Changes**

1. Semecs has the right of the supplier, considering reasonability and fairness, to demand changes regarding the nature and size of the products to be delivered. The changes are not to be of such nature that the supplier, in all fairness, would not have committed to the agreement in case he would have been aware of these changes by forehand. Semecs will notify of the desired changes in writing.
2. The supplier is to inform Semecs what effect these changes have on prices and delivery time within 14 calendar days after sending the written statement as stated in the previous clause. Semecs has the right – without being tied to the supplier regarding any damages to the expense of Semecs – to annul the agreement in case the ordered price and delivery time indicated by the supplier are unacceptable for Semecs. Regarding the right to annul the agreement Semecs will not practice out of all reasonability.

## **Article 10 – Transport insurance**

At deliveries free destination the risk of transportation damage is at the account of the supplier.

## **Article 11 – Transfer**

Neither rights nor obligations, at the committed agreement between supplier and Semecs, are to be transferred by the supplier to any third party without Semecs' prior written approval.

## **Article 12 – Disapproval**

In case the delivered products by the supplier and/or carried out activities are not according the order Semecs has the right to disapprove of the products and/or carried out activities. Receipt or payment of the products or carried out activities doesn't state any approval of them. In case Semecs disapproves of the products and/or carried out activities, the supplier is obligated to and is submitted to Semecs' choice, either to deliver replacement of products and/or carry out the activities according the order, or to pay back the already paid order amount to Semecs without the prejudice to the right of

Semecs to full compensation of the damage by Semecs and without the prejudice of the right of Semecs in case this is desirable by Semecs – to partially or fully annul the agreement. In this last case Semecs won't be responsible for any claims and Semecs will keep the right to claim compensation. After disapproval of the delivered products Semecs will store or have stored the delivered products at the account and risk of the supplier. The ownership of the disapproved products will transfer to the supplier as soon these products are replaced, or in case and as soon as Semecs by

the supplier will have been reimbursed regarding the disapproved products.

## **Article 13 – Packaging/Disposal of waste**

1. The supplier is responsible for adequate and for the environment safe packaging of the products to be delivered. Packaging will stay in the possession of the supplier and will be taken back at the first request of Semecs. In case the supplier doesn't carry out this request, Semecs has the right to return the packaging at the account and risk of the supplier. Regarding packaging falling under toxic waste the supplier will indicate in which way this packaging will be taken back by or on behalf of the supplier.

2. The packaging is to be supplied with Semecs' order number and Semecs' code number, as indicated on the order.

## **Article 14 – Transfer of ownership**

Without prejudice the right of disapproval as mentioned under article 11 of these conditions, the ownership of and the risk for the products towards Semecs will transfer at the moment of receipt at the address as indicated in article 4.

## **Article 15 – Means**

1. All means, such as but not only restricted to drawings, moulds, designs, models and tools, which have been placed at the disposal of the supplier by Semecs for the realization of the order, will be sent ex works and under all circumstances Semecs will stay the owner. This last will also be the case for those means, which the supplier has made or has had made especially as part of the agreement with Semecs.

Damages to these goods are for the account of the supplier.

2. All means, including all made copies of them, are to be placed at the disposal of Semecs and/or to be returned to Semecs directly after production has ended.
3. As long as the means for the execution of the order are at under the custody of the supplier, will be marked indicating they belong to Semecs. The supplier will point out Semecs' rights to all third parties who claim these means.
4. The supplier will only use the indicated means in this article for the execution of the order to Semecs and not show them to any third parties, unless Semecs has given specific written approval up front.

## **Article 16 – Confidentiality**

1. All models, design details drawings and other documents provided by Semecs to the supplier, as well as the know-how of which the supplier has cognized through Semecs are confidentiality and are not to be used by the supplier for any other goal than to comply the forthcoming obligations following from the agreement with Semecs.
2. Meant information will not be published or multiplied by the supplier, unless after obtaining written permission from Semecs. The supplier will furthermore also enforce confidentiality as meant in this article to its personnel.
3. In case the supplier has to inform technical details or documents to any third party to for the execution of the agreement, the supplier will be obligated to enforce the same pledge of secrecy as stated in this article.

## **Article 17 – Guarantee**

1. The supplier is obligated to repair all mistakes and defects free of charge at Semecs' first notification, which occur within a time frame of 12 months after delivery, unless they occur as a result of normal wear or improper usage. In case the product has been assembled or installed by Semecs, the period of guarantee of 12 months will take effect from the day the assembly/installation by Semecs has been completed, taking into account that in this case the period of guarantee period at the latest end 18 months after delivery at Semecs' premises.
2. The period of guarantee will be extended with an equal period as the period the products have been out of order, caused by a defect within the period of the guarantee.

3. In case not completion with the mentioned guarantee obligation by the supplier, as mentioned in this article, Semecs has the right to take necessary actions by itself or by a third party on the account and risk of the supplier.

4. The supplier accepts that a third party could exercise the rights forthcoming from this guarantee to whom Semecs has delivered/transferred the product c.q. products, whether they are part of a bigger entity or system or not.

## **Article 18 – Liability**

The supplier is liable for all damages to or by delivered products caused as a result of flaws or shortcomings, such as in the above-mentioned guarantee as well as according to the rules of the Dutch civil laws. The liability also extends as far as the damage has been caused by the supplier c.q. by the supplier employed persons at Semecs to Semecs c.q. to Semecs employed persons and damage caused by exceeding of the delivery time, violation of environmental regulations, damages to any goods of third parties, loss of profits and other indirect damages, arising at Semecs or third parties. The supplier will, in these cases regarding liability from third parties, free Semecs from liability and compensate Semecs if necessary.

## **Article 19 – Industrial property**

1. The supplier guarantees that the supplied products by him to Semecs do not infringe with any industrial rights of third parties and shield Semecs from all liability, which will be made on the account of industrial rights towards Semecs. The supplier will reimburse all costs, damages, and interest, which are caused by any infringements.

2. In case a claim has been made towards Semecs or Semecs' customer, Semecs will immediately notify the supplier, in writing, and the supplier must take all measures on their behalf and for their account to lift any (so called) claims, including taking legal action, if necessary. Semecs or Semecs' customer will render hereby at the request of the supplier assistance, with compensation of any hereby-forthcoming costs.

3. Above mentioned safeguard also counts under the condition that Semecs will neither orally nor in writing make any statements, commitments, acknowledge any rights or facts, make any commitments towards or obligate any third parties who claim infringements of their rights, without beforehand obtained written permission from the supplier. Everything mentioned before doesn't include any statements, which need to be made by or for Semecs in court as a witness.

## **Article 20 – Payment**

1. Unless Semecs claims any products regarding quality or quantity after having received them or the invoice has been returned on the basis of the under part 2 mentioned grounds, payment will take place within 90 days after having received the invoice. In case Semecs pays within 14 days, Semecs has the right to deduct a discount of 2% unless agreed differently at the order. Payment doesn't stand for acceptance of the products.

2. Invoices, which, according to Semecs' opinion, contain insufficient details for transaction, because of the lack of order numbers etc., will be returned for completion.

## **Article 21 – Identification of business**

All in the order mentioned or at the design/drawing parts list mentioned identification regulations are to be kept strictly and need to be applied clearly; with non-compliance of the above-mentioned statement the supplier can be obligated to still apply the identification at the address of delivery.

## **Article 22 – Termination**

In case the supplier fails to comply with the agreement, as well as in case of a bankruptcy or suspension of payment or in case of closure, liquidation or take-over or any comparing situation of the business of the supplier, the supplier is by right in default and Semecs has the right to:

a) fully or partially end the agreement unilateral by means of a written notification to the supplier;

b) suspend any obligation to pay;

c) transfer the realization of the agreement fully or partially for the account and risk of the supplier to any third party, all without Semecs being kept to any claims and if applicable further entitled rights including our right to full compensation remaining in full force.

## **Article 23 – Deductions/crediting**

The supplier is not permitted to deduct/credit any claims to Semecs with any demands towards Semecs.

## **Article 24 - Disputes**

All disputes, meaning disputes, which are as such regarded by one of the parties, will in case they are exceeding the authority of the cantonal judge and without prejudice to the possibility to ask for temporary facilities in summary proceedings to the president of the authorized court, will be settled by the district court in the district Semecs is settled; in this case this is 's-Hertogenbosch. To the full or partial in pursuance of this agreement effected agreement the Dutch law is always applicable. The regulations of the Treaty of Vienna of April 11th 1980, Treaty 1981,84 and 1986,61 are excluded.