

# General Purchase Terms & Conditions

---

## Art.1. GENERAL

The client is the buyer and the seller is any natural person or legal entity who has taken the responsibility for the execution of an order. Subject to other written and by the buyer accepted provisions, all the current and future agreements are subject to the current terms and conditions unless otherwise agreed in writing. The acceptance of a delivery does not mean acceptance of the terms and conditions of sale of the supplier. In case of contradictions precedence is taken in the following order: the special conditions of the order, the purchase conditions of Desotec, the request for quotation and the quotation.

## Art. 2. CODE OF CONDUCT

The Desotec Supplier Code of Conduct outlines the minimum requirements regarding fair business practices and ethics, labor practices, impact on the environment and health and safety performance. Every Seller should comply with our Code of conduct, please review the latest version via : [www.desotec.com/codeofconduct](http://www.desotec.com/codeofconduct).

## Art. 3. ECONOMIC SANCTIONS REGULATIONS

The Seller shall comply with applicable global trade laws, including (i) the U.S. Export Administration Regulations ("EAR") administered by the U.S. Commerce Department's Bureau of Industry and Security ("BIS"), (ii) the U.S. International Traffic in Arms Regulations ("ITAR") administered by the U.S. State Department's Directorate of Defense Trade Controls ("DDTC"), (iii) the economic sanctions rules and regulations administered by the U.S. Treasury Department's Office of Foreign Assets Control ("OFAC"), (iv) European Union ("EU") regulations on export controls and sanctions, (v) United Nations sanctions policies, (vi) all relevant regulations made under any of the foregoing, and (vii) other applicable economic sanctions, export control, or import laws. In the event of any dealing in controlled products, technology, services, or information, whether directly or indirectly, the Seller will first obtain all necessary written consents, permits, and authorizations, and complete such formalities as may be required by, any applicable global trade laws.

## Art. 4. ORDER

Verbal or telephone orders must always be confirmed by means of a signed order. In the absence of this signed order a verbal or telephone order is non-existent. The seller must confirm the order for acceptance within 5 working days. Any order that was not accepted within this term by the seller can be considered as cancelled by the buyer without any form of compensation. In the confirmation message the seller will have to mention all remarks concerning this order. The buyer shall, on the basis of these comments, retain the right to cancel the order without any compensation within 5 working days in writing (term to be extended with the closing periods of the company). Any modification to the current purchase conditions shall only be valid provided written and express approval of the buyer. The buyer cannot be obliged to accept and pay for goods or services which are not in accordance with a valid order (including goods and services delivered with more or less items relative to the order or which do not comply with the specifications of the order).

## Art. 5. PRICE

Subject to other agreed written conditions, all fees and costs (transport, insurance, packaging, import taxes, etc.) are paid by the seller. The packaging is considered as acquired by the buyer without the seller being allowed to claim its value. All mentioned basic prices are excl. VAT. The seller shall at all times indemnify the buyer for additional costs, taxes, customs fees that were not included in the price.

## Art. 6. DELIVERY/TRANSFER OF RISK

Regardless of the origin of the goods and the sales conditions the deliveries or services will take place in the factories or warehouses of the buyer, or at the place indicated by him. No delivery or service will be accepted outside the delivery times indicated by the buyer, nor on Saturdays, Sundays or public holidays. The transfer of risk takes place as soon as the seller has fulfilled his delivery obligation. The signature of a person in charge at the buyer only proves the delivery, but not the approval of the delivered material. The buyer will within a short period notify the seller of the existence of visible defects but the seller remains liable for hidden defects in accordance with the provisions of the civil code. The ownership is transferred at the time of delivery of the delivered materials/goods or payment of these in the event that the payment precedes the delivery. Any clause that postpones the transfer of ownership or that contains any reservation concerning this transfer, cannot be opposed by the buyer. The unilateral inclusion of a reservation of title clause in the general conditions or any other document of the supplier is not opposable by the buyer and can only after written agreement of the buyer be applied to him. In the eventuality that the buyer provides goods to the seller in order to integrate them into a larger entity, then the ownership of these goods is maintained by the buyer and must be insured by the seller against damage and loss. The seller manages these goods as they were his own and delivers them back to the buyer according to the normal execution of the agreement, or at any time at the request of the buyer.

## Art. 7. SHIPMENTS

Each shipment must be preceded by a shipment notice stating:

- a) the reference of the order
- b) the full description of the goods
- c) a packing list with the numbering of the packages
- d) the gross and net weight of each package

A copy of this notice of shipment will accompany the goods. On each package the number of the order and the gross weight is indicated. The packaging is to be borne by the supplier, and must be adapted to the transport and be in accordance with the applicable legislation. The packaging shall avoid any kind of damage during transport and interim manipulation. The buyer reserves the right to return the goods, which are not provided with the documents, at the expense and risk of the seller, and to charge the seller for all costs and charges (storage, transportation, unpacking, repacking, time loss, etc.) caused by the lack of information available on the arrival of the goods. Any total or partial shipment should be done according to the guidelines of the order, any additional costs caused by noncompliance with these guidelines will be charged to the seller via an invoice.

## Art. 8. DELIVERY PERIOD

Only the delivery time indicated on the order is valid. The terms will only be considered as complied with if the delivery occurs at the place indicated by the buyer. Each early delivery or delay must be

submitted for approval to the buyer whereby only a written agreement of the buyer is valid. Partial deliveries are possible subject to a written consent of the buyer. All conditions continue, however, to concern the entire supply agreement at all times. The buyer has the right to cancel an order if it is not delivered within the time limit specified by the buyer and this subject to a written notice without notice of default or other formalities and without the seller having the right to demand any compensation. The exceeding of the delivery term is a sufficient condition for the buyer to proceed, out of court, to the cancellation of the order; or the right to impose a penalty to the seller of 1%/week with a maximum of 5% on the entire supply agreement. The buyer will then place his order with another supplier and will do this by a simple notification to the seller. This new order is at the cost and risk of the seller, for the goods that are the subject of the order, and where the seller then shall indemnify the buyer for all direct and indirect damages resulting of this cancellation for the buyer.

## Art. 9. APPROVAL AND TEST

The acceptance of the delivered goods will be done after checking in the warehouses or offices of the purchaser or on the indicated place of delivery. Each delivery that is not in conformity with the order may be refused by the buyer. The non-acceptance of the goods will have to be notified within 30 days to the seller. This concerns the visible defects that are found either at the time of delivery, or after checking in the warehouses. For hidden defects, reference is made to the regulations of the civil code. In case of faulty delivery, the buyer retains the right to replace it at the expense and risk of the seller. The seller will also be held liable to reimburse all damage incurred by this incorrect delivery. In the first instance the seller will get the chance to replace the non-conforming goods/services within a reasonable timeframe. If this is not possible, then the buyer may, at the expense of the seller, appoint a third party. The administrative costs of the buyer will be invoiced to the seller.

## Art.10. CANCELLATION.

Subject to the abovementioned purchase cancellation, the buyer will cancel all or part of the order if the buyer is looking for an amicable settlement with his creditors whether or not in the context of the application of the law on the continuity of the company or is declared bankrupt. This cancellation will be made via simple registered mail with no other form of notice or formalities. On the other hand, the buyer has the right to cancel the order if the seller is looking for an amicable settlement with his creditors whether or not in the context of the application of the law on the continuity of the company or is declared bankrupt. The buyer will then be free of all compensation as a result of the cancellation of the agreement.

## Art.11. PAYMENT

The seller will draw up an invoice after the delivery (in three copies) for each shipment and for each order form. This should be sent to the accounting of the buyer. The buyer will pay, unless otherwise mentioned on the order, by transfer, within 60 days after the invoice date, or with a 2% cash discount within 8 calendar days after receiving the invoice at the buyer's discretion. The buyer reserves the right when paying, to apply compensations related to outstanding amounts that are payable by the seller as a result of billed charges. If the purchaser would not pay in time because of one of the conditions provided for in art 15, the seller shall not be entitled to compensation.

## Art.12. LIABILITY

The supplier is obliged to pay compensation for any damage caused in connection with or on the occasion of the execution of the order which is caused by himself or his appointees. The supplier shall indemnify the buyer against any claims by third parties. Liability cannot be passed on to subcontractors.

## Art.13. GUARANTEE

The seller guarantees that all deliveries are in accordance with previously send specifications and/or samples. All goods supplied by the seller are under guarantee on conception and construction faults and/or any other defect and will comply with all legal requirements and inspections. The warranty period for the goods is 18 months after commissioning of the installation, with a maximum of 24 months after delivery. Any partial or complete delivery which shows a defect will be replaced at no cost for the buyer. All costs caused by the supply of the defective goods will be invoiced to the seller. In case of any damage the seller shall be liable for compensation to the buyer. In case of a serious defect the buyer may however also choose to ask for a price adjustment, or he can decide that the agreement is automatically terminated without the need for a prior notice being necessary.

## Art.14. SECRECY

The models, working materials, plans and other technical documents delivered by the buyer to the seller remain entirely the property of the buyer and were only issued to the seller under confidential title. The seller is committed not to pass this on to third parties, with the exception of the subcontractors who enjoy a written approval of the buyer. The seller will only use this information for the implementation and realization of the goods ordered by the buyer. Except when the plans or models are supplied by the buyer, the seller shall be liable for making sure that the delivered goods are not in conflict with the rights relating to laws concerning certificates, patents, trademarks, copyrights or any law of industrial ownership. At the request of the buyer, the supplier will return immediately all written information and each drafted document or plan, including all copies, in any form whatsoever. The supplier shall indemnify the buyer for any claim by a third party and for any damage, due to alleged or determined infringements of the delivered goods on industrial or intellectual property rights.

## Art. 15. GDPR

If the supplier (in this case, the "Data Processor") processes Personal Data on behalf of Desotec, the supplier undertakes as Data Processor that it :

- will comply with the obligations imposed on the Data Processor by the EU General Data Protection Regulation, 2016/679 (GDPR);
- will implement technical and organizational security measures sufficient to meet at least the obligations imposed on the Data Processor by the Security Principle and take reasonable measures to ensure the reliability of all employees of the Data Processor who have access to the Personal Data;
- will only process Personal Data for and on behalf of Desotec for the purposes of and in accordance with this Agreement (and where necessary only on Desotec's instructions to ensure compliance with the DPA/GDPR, whichever is applicable)

- permit representatives of Desotec to monitor the Data Processor's compliance with the requirements, provided they are reasonably notified thereof and/or provide Desotec with evidence of the Data Processor's compliance with these requirements upon request;
- will not employ any other processor (third party) without the prior specific or general written consent of Desotec;
- will not transfer Personal Data outside the European Economic Area (EEA) without the prior written consent of Desotec.

In giving its consent to the transfer, Desotec may impose conditions on the Processing of the Personal Data and on the Data Controller and/or the overseas data processor as required by Desotec to ensure that the Personal Data is adequately protected (as required by the International Transfer Data Protection Principle). Upon expiry or termination of this Agreement, the supplier shall immediately cease the Processing of the Personal Data and, at the option or direction of Desotec, arrange for the immediate and secure return and/or destruction of all Personal Data with all copies in its possession or under its control and, upon request of Desotec, certify that such destruction or return has taken place.

## Art. 16. PUBLICITY

Subject to written consent of the buyer, the supplier may not use the brand name, or name of the buyer nor in its publications or advertising material, nor in any other way.

## Art. 17. INVALIDITY

If any provision of these conditions would be invalid, then this does not lead to the invalidity of the other provisions. The parties shall consult, where appropriate, to replace the invalid one by a provision that most closely matches the originally intended meaning of that provision.

## Art. 18. MITIGATING CIRCUMSTANCES/FORCE MAJEUR

Shall be construed as mitigating conditions: all circumstances which are beyond the control of one of the parties after the conclusion of the agreement, and preventing its implementation: labour disputes, fire, mobilization, embargo and all other unforeseeable events that can result directly or indirectly in a delay or non-execution of the agreement. The party that calls upon this condition must without delay notify the other party. The originating of one of these conditions takes away all liability of both buyer and seller in which each of these parties shall retain the costs already incurred for its own account.

## Art. 19. COMPETENCE

Any dispute shall be settled by the courts of Kortrijk.

## Art. 20. APPLICABLE LAW

Current and future orders are exclusively governed by Belgian law