

General Conditions of Purchase

Section I. General

1. Definitions

- 1.1 The terms used below have the following meaning in these General Conditions of Purchase:
- a. Conditions: these General Conditions of Purchase;
 - b. Buyer: the user of these Conditions:
 - I. elho BV; and
 - II. Good(s)Factory BV,
both established in Tilburg (5047 RG) at Atlasstraat 11.
 - c. Supplier: the counterparty of Buyer;
 - d. Parties: Buyer and Supplier;
 - e. Goods: physical objects to be supplied to Buyer by Supplier;
 - f. Services: any services to be supplied to Buyer by Supplier;
 - g. Agreement: the agreements between Buyer and Supplier regarding the (delivery of) Goods and/or Services.

2. General

- 2.1 These Conditions are applicable to all requests, offers and orders (or parts thereof) of, or Agreements concluded with Buyer.
- 2.2 The general (delivery) conditions of Supplier are explicitly rejected by Buyer, even when reference is made thereto in quotations, order-, assignment confirmations or invoices.
- 2.3 Supplier who has been contracted once based on these Conditions, shall be deemed to have tacitly agreed to the applicability of these Conditions to any later agreement concluded with Buyer.
- 2.4 Buyer is entitled to change these Conditions. The version that was applicable at the time the Agreement was concluded will be applicable. Supplier will be informed in writing or via e-mail about the changed Conditions and the date that these changed Conditions come into force.
- 2.5 If one or more provisions in these Conditions are completely or partially void at any time or might become invalid, the other provisions in these Conditions remain in full force. The void or invalid provision(s) will be replaced by Buyer, whereby the purpose and the scope of the original provision(s) will be considered as much as possible.

- 2.6 If Buyer does not demand strict compliance with these Conditions, this does not mean that the provisions thereof are not applicable or that Buyer would in any way lose the right to demand strict compliance with the provisions of these Terms and Conditions in other cases.

3. Offer, conclusion of the Agreement and cancellation

- 3.1 The offers from Supplier are valid for a period of at least three months after date of the offer.
- 3.2 The costs associated with the offer are exclusively for the account of Supplier.
- 3.3 The Agreement is concluded when the offer from Supplier is confirmed by Buyer in writing or via e-mail.
- 3.4 Before Supplier has started the performance of the Agreement, Buyer is entitled to cancel the Agreement. Buyer never owes any cancellation costs to the Supplier.

4. Delivery

- 4.1 Supplier ensures that the delivery takes place at the agreed location and time. The agreed time applies as final deadline and Supplier will be in default, without requiring any further notification, if this deadline is exceeded. If the delivery location has not been explicitly agreed on, the location of the branch of Buyer applies as such location.
- 4.2 Supplier must immediately report the imminent exceeding of the delivery period to Buyer in writing or via e-mail, without prejudice to the rights of Buyer, including but not limited to the right to compliance and compensation of damage suffered by Buyer.
- 4.3 Partial deliveries are only allowed after prior written or electronic permission of Buyer.
- 4.4 Supplier is not allowed to have an order completely or partially performed by a third party, unless Buyer has granted explicitly permission thereto in writing or via e-mail. This permission may be subject to conditions. The Supplier undertakes to apply these Conditions on (partial) orders which are performed by third parties.

5. Adjustments and additional work

- 5.1 Adjustments to the Agreement must be agreed in writing or via e-mail.
- 5.2 Buyer is only obliged to pay for work that is not included in the Agreement, if this work and the consequences thereof for the agreed prices have been agreed with Buyer in writing or via e-mail in advance.

6. Prices

- 6.1 The prices are exclusive vat, include all costs in connection with the compliance of the obligations of Supplier and are based on Delivered Duty Paid (DDP Incoterms 2010) at the agreed delivery location.
- 6.2 The prices are fixed, unless the Agreement mentions the circumstances that could lead to a price adjustment, as well as the manner in which the adjustment takes place.

7. Invoicing and payment

- 7.1 Supplier will only invoice the Goods and/or Services supplied by him to Buyer, after approval of these Good and/or Services.
- 7.2 Each invoice contains the information prescribed by Buyer. Supplier must state the name of the purchaser, the order and article number specified by Buyer, as well as, if applicable, the weight, quantity, description and the agreed price of the relevant Goods and/or Services on his invoice. If the Agreement entails the provision of Services that are charged to the Buyer per hour or (part of a) day, Supplier must also add a detailed statement of the hours or days.
- 7.3 Buyer will pay the invoice - provided he is not substantively disputing it – no later than 60 days after receipt of the invoice.
- 7.4 The exchange rate for foreign currency will be the official rate on the day of payment.
- 7.5 Buyer is entitled to settle amounts owed to Supplier with the amounts that Supplier may owe to Buyer for whatever reason.
- 7.6 Buyer has the right to suspend the payment if he detects a defect in the Goods, the possible installation/assembly thereof or in the provision of the Services.

8. Guarantees

- 8.1 Supplier guarantees that all delivered Goods and/or Services and the materials used for the provision of the Services:
 - a. comply with what has been agreed on;
 - b. comply with the characteristics and results that have been promised and/or reasonably might have been expected;
 - c. are appropriate for the purpose for which they were delivered;
 - d. are free from defects-, design-, construction-, material- and fabrication errors;

- e. comply with the applicable laws and regulations, among others, in terms of quality, safety, environment and employment conditions;
 - f. comply with the requirements of the most recent version of the Business Social Compliance Initiative (BSCI) Code of Conduct and the associated Terms of Implementation.
- 8.2 If Supplier does not comply with the provisions in article 8.1, the costs as a result thereof and the damage suffered by Buyer are for the account of Supplier.
- 8.3 The warranty period for delivered Goods and/or Services will be at least two years after acceptance of the delivery or such longer period as the Parties have agreed.
- 8.4 Supplier guarantees the availability of spare parts, service parts, and components that are required for repair and maintenance of the Goods for rates and prices that are in line with the market and continuation of previously applied discounts for at least ten years after the latest delivery of the Goods under the Agreement.
- 8.5 If the Goods and/or Services do not comply with the provisions in article 8.1 – Buyer – at his discretion – is entitled, for the account and risk of Supplier:
- a. to demand repair or replacement by Supplier within a reasonable period set by Buyer;
 - b. to repair or replacement performed by a third party; or
 - c. to return the relevant goods at 100% credit for the price and transport costs, without prejudice to the other rights of Buyer, including but not limited to the right to compliance and damage compensation.
- 8.6 After repair or replacement as referred to in the previous article, the warranty period mentioned in article 8.3, starts again from the day of commissioning the goods, respectively the provision of the Services.
- 8.7 Buyer may always appeal to an identified defect in the Goods and/or Services, without being obliged to inform Supplier of the identified defect within a certain period. The provisions in article 6:89 and 7:23 of the Dutch Civil Code are therefore not applicable.

9. Liability

- 9.1 Supplier is liable for all direct or indirect damage suffered by Buyer, caused by or related to defects in the delivered Goods and/or Services, actions of the staff of Supplier or defects in the material that Supplier uses for the performance of the Agreement.

- 9.2 Supplier must compensate all damages to Buyer that Buyer suffers in case Supplier has acted in breach with the law, government regulations, ordinances and instructions given by Buyer.
- 9.3 If Buyer uses incorrect and/or incomplete information from Supplier, Supplier is liable for all damages that Buyer suffers as a result thereof.
- 9.4 Buyer does not accept any damage limitation or damage exclusion of Supplier. Buyer hereby explicitly rejects such limitation and/or exclusion. Supplier hereby explicitly accepts this rejection.
- 9.5 Supplier is always responsible and liable for the materials used by him. These materials must comply with all legal regulations including safety, health care and environmental regulations.
- 9.6 In the context of this article damages including but not limited to: damages that Buyer must compensate to his customers and/or third parties, loss of turnover, company stagnation, company failure, environmental damage, damage to reputation, imposed fines and lost savings.
- 9.7 Supplier will properly insure himself against the damages referred to in this article and will provide access into the insurance policy and conditions if requested by Buyer.
- 9.8 Supplier indemnifies Buyer against all claims of third parties for compensation of any damage suffered by them caused by or related to defects in the delivered Goods and/or Services, actions of the staff of Supplier or defects in the material used by Supplier with the performance of the Agreement.
- 9.9 All judicial and extrajudicial costs of Buyer as a result of the non-compliance by Supplier are for the account of Supplier.
- 9.10 Buyer is never liable for injury to Supplier or his employees or third parties engaged by him, or for impairment, immaterial damage, loss or theft of materials, goods or tools of Supplier or his employees or third parties engaged by him which are on the site of Buyer.

10. Intellectual property rights

- 10.1 Supplier guarantees that the Goods and/or Services delivered by him and the tools bought or produced by him on behalf of Buyer and the use thereof, including resale, will not infringe any (intellectual) (property) rights of third parties. Insofar as the Goods and/or Services to be delivered and/or the tools are subject to an (intellectual) (property) right of a third party and/or Supplier, Supplier will ensure that the Buyer obtains the right of use.

- 10.2 Supplier indemnifies Buyer against claims, that are the result of any breach of the rights referred to in the previous article and he will compensate all damages to Buyer that was caused by this.
- 10.3 Buyer is holder of all industrial and intellectual property rights arising or resulting from the performance of the Agreement, regardless the share of Supplier in the creation thereof. If any further legal action is required for Buyer to exercise this right, Supplier will unconditionally cooperate.
- 10.4 If and insofar as Parties agree in writing that there will be no transfer of industrial and/or intellectual property rights, Supplier grants a non-exclusive and non-transferrable right of use to Buyer for the unlimited use of the delivered Goods and/or Services. At all times Buyer has the right to further develop the relevant Goods and/or Services for own use, whether or not with the help of third parties.

11. Force majeure

- 11.1 If a force majeure situation arises, Supplier shall promptly notify Buyer of such condition.
- 11.2 A force majeure situation does not include: shortage of personnel, strikes, sickness of the natural persons who perform the Agreement on behalf of Supplier, shortage of raw materials, transport problems, failure or non-compliance with the obligations by suppliers or third parties and liquidity or solvability problems of Supplier.
- 11.3 In case of a force majeure situation Buyer has the right to suspend his payment obligation.

12. Failure and dissolution

- 12.1 Buyer has the right, without notice of default and without legal intervention, to completely or partially dissolve the Agreement by way of a written notice to Supplier in case:
 - a. Supplier is declared bankrupt or requested suspension of payment or in case of shutdown, liquidation or takeover or any similar situation of Supplier's company;
 - b. the assets of Supplier are seized which are of importance to comply with his obligations under the Agreement, unless the seizure is lifted within 14 calendar days;
 - c. compliance by Supplier is temporarily or permanently impossible;
 - d. default by Supplier; or
 - e. a force majeure situation occurs, which lasts longer than 30 calendar days.
- 12.2 The direct and indirect damages suffered by Buyer as a result of the default of Supplier are for the account of Supplier.

- 12.3 All claims that Buyer might have or obtain against Supplier at the time the Agreement is dissolved, will become immediately due in full, increased by the collection costs.

13. Documentation, information and confidentiality

- 13.1 All the data that Supplier uses, collects and/or records in connection with the performance of the Agreement, is and remains the property of Buyer and will be properly secured by Supplier. Supplier is not allowed to change, use (other than in connection with the performance of the Agreement), destroy or provide this data to any third party, without the written permission of Buyer. All written information that is provided to Supplier by Buyer must be immediately returned to Buyer after delivery or completion of the Agreement.
- 13.2 Supplier, his employees and third parties engaged by him for the performance of the Agreement, are obliged to strict confidentiality of all information of or about Buyer that they, whether or not directly, have become aware of and of which it has been established that this has a confidential nature, or of which they should reasonably expect confidentiality.
- 13.3 Supplier will oblige employees involved in the performance of the Agreement and third parties engaged by him to the same confidentiality. Supplier is and remains fully responsible and liable in this respect.
- 13.4 Supplier is not allowed, without the prior written permission of Buyer, to make any publication, in whatever way, about the performance of the Agreement.
- 13.5 If Supplier receives personal data from Buyer, Supplier must process this data in accordance with the General Data Protection Regulation (GDPR).
- 13.6 If requested by Buyer, Supplier will provide a statement of all sales data that is relevant for Buyer.

14. Applicable law and authorised court

- 14.1 The Conditions, the Agreement and all legal relationships arising therefrom or related thereto are exclusive subject to Dutch law. Foreign law and treaties, such as the Vienna Sales Convention, are excluded.
- 14.2 The court in the district where Buyer is established is exclusively authorised to take note of any disputes.

Section II. Goods

15. Delivery

- 15.1 Delivery shall be made Delivered Duty Paid (DDP Incoterms 2010) with consideration of the agreed delivery location, delivery time and delivery term.
- 15.2 The delivery time is the moment that the Goods have been received by Buyer, this receipt does not imply acknowledgement that the Goods are reliable.
- 15.3 In case of exceedance of the agreed delivery time, Buyer reserves the right to use a penalty clause of 3% of the total value of the Agreement per day, without prejudice to the right of Buyer to claim damages caused by exceedance of the agreed delivery time, including but not limited to damages to third parties such as its customers.
- 15.4 In case the Goods are rejected by Buyer because of damages or non-compliance with the characteristics that were promised and/or might have reasonably be expected, Supplier will immediately remove the Goods at his own account and risk.

16. Transport and packaging

- 16.1 Supplier shall correctly pack the Goods and in accordance with the stipulated environmental standards and will, if requested by Buyer, take all used packaging material back free of charge.
- 16.2 Supplier is responsible for processing respectively destruction of packaging materials. If packaging materials are processed or destroyed at Supplier's request, it shall be done at the risk and account of Supplier.
- 16.3 Supplier guarantees that the Goods have been provided with the information, logos, warnings, markings and other indications mandatory based on the applicable laws and regulations.
- 16.4 The Goods to be delivered will be provided by Supplier with a clear visible packing list and/or copy invoice that states: name and address of Supplier, order number, net weight, country of origin, vat number of Supplier, transport method and delivery location.
- 16.5 Buyer is not bound to any clause about storing the packaging during the warranty period of the delivered Goods.
- 16.6 Supplier guarantees that all Goods fully comply with the legal European Directives. In addition, Supplier must provide all information which is or could be reasonably required for a proper, safe use and/or operation of the Goods.

17. Property and risk

- 17.1 The property of the Goods is transferred to Buyer as soon as the Goods have been delivered at the agreed location and are accepted by Buyer, or as soon as the Goods have been paid; depending on what took place first.

- 17.2 The property retentions made by Supplier are not applicable. Buyer hereby explicitly rejects such a retention. Supplier hereby explicitly accepts this rejection.
- 17.3 All Goods that already belong to Buyer and that are provided to Supplier by Buyer for repair, processing, editing or other purposes, are provided on loan, remaining the property of Buyer, may only be used for the performance of the Agreement and must be returned at the first request of Buyer. Supplier ensures adequate insurance of the Goods and also ensures that the property of the Goods of Buyer is marked clearly. Supplier already waives the rights and authorisations arising from the retention right as referred to in article 3:290 of the Dutch Civil Code, as well as his suspension right.

Section III. Services

18. Provision, performance of the Agreement and independent entrepreneurship

- 18.1 Supplier guarantees that the Services will be provided in an expert way, conform the latest state of technology and uninterrupted.
- 18.2 Supplier is obliged to provide the Services conform the stipulations of the law and the Agreement. Any additional costs that Supplier must make during the provision of the Services to comply with the legal regulations and other legislation, cannot be charged to Buyer. Such costs are fully for the account of Supplier.
- 18.3 If an employee of Supplier does not comply with the law, regulations, ordinances or instructions of Buyer or if an employee is not qualified, professional or skilled enough to perform the work, Buyer has the right to deny the relevant employee access to the location where the Services need to be provided. In such case Supplier, if desired by Buyer, will organise a replacer.
- 18.4 If Supplier provides the Services in the context of the Agreement at the site of Buyer or a location allocated by Buyer, Supplier must comply with all house rules and code of conduct that are applicable at these locations. Supplier shall inform himself about these rules. If requested, these rules are provided to Supplier in writing.
- 18.5 Supplier declares to provide the Services in the independent exercise of his profession or his company.
- 18.6 If third parties, including the Tax Authority might be of the opinion (in the future) that there is no independent entrepreneurship on the side of Supplier, Parties are obliged to adjust the relationship between them and take the necessary measures in such a way that the relevant third parties believe that there is independent entrepreneurship.

- 18.7 Supplier acknowledges to be liable for claims of tax and/or social security authorities with respect to payroll tax and the national insurance premium and imposed fines and interest related to or arising from the opinion of these authorities that, other than the explicit opinion and the intention of Parties, Supplier would have a (fictive) employment with Buyer and indemnifies Buyer in this respect.

19. Outsourcing

- 19.1 If Supplier outsources the work (or part thereof), Supplier must observe all laws and regulations that are applicable when the Services are provided in connection with outsourcing assignments, including but not limited to, the foreign workers law or laws and/or regulations that replace this.
- 19.2 Buyer may demand from Supplier that he opens a G-account. In this case Supplier is obliged to provide proof of this G-account to Buyer. Buyer determines the percentage of the invoice amount that Buyer transfers to the G-account of Supplier.
- 19.3 If requested by Buyer, Supplier is obliged to provide a recent and original statement regarding payment behaviour from the Tax Authority to Buyer.
- 19.4 Supplier is obliged to meet his (legal) obligations towards his employees and third parties engaged.
- 19.5 Supplier indemnifies Buyer for suffered damages, including imposed fines, as a result of non or late compliance of article 19.1 up to 19.4.

20. Replacement of executing personnel

- 20.1 Supplier is not allowed to replace the people who provide the Services with prior permission of Buyer, on the understanding that Buyer is not allowed to withhold his permission on unreasonable grounds. The agreed rates will not be increased in case of replacement. In case of replacement Supplier guarantees the same level of knowledge and experience of the replacing personnel .