

GENERAL TERMS AND CONDITIONS OF PURCHASE

1. DEFINITIONS

For the purposes of this Agreement, the words, terms and phrases, where written with an initial capital letter, shall have the meaning as set out hereunder unless the context otherwise requires.

- 1.1 "Customized Tooling": specific equipment which is required for the manufacturing of the products, developed by the Supplier on the basis of the Technical Data and specifications;
- 1.2 "Intellectual Property Rights": rights of priority, inventions, designs, copyrights, trademark rights, trade names, trade secrets, knowhow, part numbers and references, Customized Tooling, Technical Data, the goodwill and any other intellectual property or proprietary rights, recognized in any country or jurisdiction in the world, now or hereafter existing, and whether or not filed, perfected or recorded;
- 1.3 "Technical Data": any information regarding the development and design of the products, supplied by TVH to the Supplier or vice versa. Such information includes, but is not limited to, samples, moulds, tooling, technical drawings, designs (CAD or otherwise), technical information, measurements, know-how and formulas;
- 1.4 "TVH": TVH Parts NV, a company incorporated and existing under the laws of Belgium, with its registered office at Brabantstraat 15, 8790 Waregem, Belgium, and company number 0425.399.042, acting on behalf of itself and all its affiliates, as defined in the Belgian Company Code.

2. APPLICABILITY

- 2.1 The legal relationship between TVH and the Supplier are subject exclusively to these General Terms and Conditions of Purchase and the Order related to each individual purchase transaction.
- 2.2 In the case of contradiction between these present General Terms and Conditions of Purchase and the Order, the Order shall have priority.
- 2.3 The Supplier explicitly agrees that its general or specific terms and conditions (or similar legal instruments) shall not apply to the subject matter of this Agreement, including without limitation those set forth on any Order acknowledgement or invoice.

3. SUBJECT

- 3.1 The Supplier shall sell, manufacture (where applicable), pack, storage and supply the products in accordance with the Agreement when ordered by TVH.

4. ORDERS

- 4.1 When TVH orders products from Supplier, the following terms will be determined in each separate purchase order (hereafter the "Order"): the products, the purchase price (which shall depending on the applicable incoterm and agreed upon arrangements between Parties- include all the costs and charges in relation to the purchase of the products, such as but not limited to costs of transportation, cost of loading and unloading, costs of packaging, insurance and taxes), the payment term and the currency, the order confirmation period, the delivery lead time, the applicable incoterm (Incoterms® 2020) and *-if applicable-* the product specifications, the part number(s), the rebate scheme.
- 4.2 Any affiliate of TVH has the right to issue an Order under this Agreement.
- 4.3 The purchase price mentioned in the Order is exclusive of

any VAT properly chargeable in accordance with applicable laws. VAT shall be invoiced at the rate properly chargeable in respect of the products purchased subject to the Supplier providing a valid tax invoice or other documentation as may be required by any applicable law.

- 4.4 An Order shall be deemed to have been accepted on the date on which the Supplier submits a written acceptance of the Order to TVH (by email or via the My Quick Supply website). If the Supplier fails to submit a written notice of its acceptance or refusal of the Order within the order confirmation period set out in the Order, the Order will be irrevocably considered as accepted. In case of a price increase opposed to a former order of TVH, the new purchase price needs to be explicitly accepted by TVH. Otherwise the Order shall be deemed to have been accepted at the unit price before the price increase.
- 4.5 The Parties expressly agree that TVH can modify or cancel all or part of any Order issued to the Supplier by giving a reasonable, written notice to the Supplier prior to the delivery of the concerned Order and without the Supplier being granted any rights, such as but not limited to any right to claim compensation or indemnity, following such modification or cancellation of the Order.
- 4.6 When the Supplier anticipates stopping delivery of a specific product or spare parts for a product, it shall inform TVH thereof at least 6 months in advance and shall give TVH the opportunity to purchase this product and spare parts for such relevant product.
- 4.7 Should TVH decide to stop ordering products from the Supplier, the Supplier shall immediately return all Technical Data and Customized Tooling, destroy any remaining copies thereof; and confirm in writing it has done so.

5. MANUFACTURING (-clause only applicable if Supplier manufactures products for TVH-)

- 5.1 The Supplier shall manufacture the products for TVH in accordance with the specifications and *-if applicable-* the most recent Technical Data and Customized Tooling.
- 5.2 The Supplier hereby undertakes and warrants that it:
 - shall manufacture the product exclusively for TVH and that it shall deliver such products, as well as any products derived, derogated or inspired from the products, exclusively to TVH;
 - shall not offer for sale, sell, rent or otherwise commercialise or dispose of the products or any products derived, derogated or inspired from the products without prior written approval of TVH, including the period after termination of the Agreement;
 - shall not apply any of its own logos or trademarks on the products.
- 5.3 TVH undertakes to supply the Supplier with the necessary Technical Data in order to enable the Supplier to duly perform its obligations under this Agreement. The Supplier shall assist TVH with its know-how when determining the Technical Data for the product(s). Supplier shall hold TVH harmless for all claims resulting from Supplier's provided technical knowledge (or lack thereof). Should the Order or the Technical Data not be complete or clear, the Supplier shall immediately request the necessary explanations in writing.
- 5.4 For products that require Customized Tooling, the Supplier shall inform TVH. Unless agreed upon otherwise between Parties, TVH shall bear all costs for the development of such Customized Tooling. Method of payment and payment term shall be mutually agreed upon between Parties.
- 5.5 The Customized Tooling and Technical Data are and shall at all times remain the exclusive property of TVH.

Supplier shall immediately share all data in relation to the Customized Tooling. The Supplier shall keep the Customized Tooling and Technical Data in good condition, never destroy it and use it solely for the manufacture of products for TVH. The Supplier shall promptly return it upon request of TVH.

- 5.6 TVH shall be entitled to check the quality and progress of production work at the Supplier's premises at any time prior written notification.
- 5.7 TVH is allowed to request a sample prior to submitting an Order. TVH shall notify the Supplier in writing of any changes to be effected to the sample. The Supplier shall immediately (and by the latest prior to the manufacturing of the ordered products) inform TVH if the requested changes entail a price change. Unless agreed upon otherwise between Parties, TVH's formal approval of the sample is required before any manufacturing of a product or execution of an Order.

6. STORAGE

- 6.1 The Supplier shall store the stock of the products in its premises at its own expense. It shall keep the products in good condition and store them properly and in accordance with good business practice.

7. DELIVERY

- 7.1 The Supplier shall deliver the products specified in each order:
- 7.2 in accordance with the agreed Incoterm and if nothing has been agreed upon according to DAP TVH's premises Waregem;
- 7.3 within the delivery lead time or on the delivery date.
- 7.4 The Parties acknowledge and agree that timely, correct and complete delivery of the products constitutes an essential obligation under this Agreement.
- 7.5 Title to the products shall pass to TVH on the earlier of the following two dates: (i) payment of the Order, or (ii) completion of the delivery. Risk in the products delivered, or in any portion thereof, shall pass to TVH as from the acceptance of the delivery pursuant to Article 8 ("Acceptance and defective products").
- 7.6 Without prejudice to an event of force majeure, the Supplier shall not have the right to suspend the delivery of any of the products ordered under this Agreement for any reason.

8. ACCEPTANCE AND DEFECTIVE PRODUCTS

- 8.1 A full or partial payment of the Supplier's invoices by TVH (i) shall be without prejudice to any claims or rights which TVH may have against the Supplier under this Agreement or otherwise, and (ii) does not constitute an acceptance by TVH that the products or any part thereof conform to any of the terms of this Agreement.
- 8.2 TVH shall notify the Supplier in writing of visible defects in a product. TVH shall notify the Supplier in writing of hidden defects in a product within three months after such hidden defect came to its attention.
- 8.3 In the event of (in-)visible damage to the products or in the event any products delivered to TVH are otherwise not in conformity with the terms of this Agreement, then, without limiting any other right or remedy that TVH may have under this Agreement or otherwise, TVH may, at its own discretion:
 - require the Supplier to repair or replace the rejected products at the Supplier's own risk and expense; and/or
 - require the Supplier to repay the price of the re-

jected products in full including any costs incurred by TVH in relation to the rejected products such as but not limited to transportation and storage costs; and/or

- claim damages for any other costs, expenses or losses resulting from the Supplier's delivery of products that are not in conformity with the terms of this Agreement;
- suspend payment of the invoice covering the products concerned, until an acceptable solution has been obtained.

9. WARRANTIES, INDEMNITIES AND INSURANCE

9.1 The Supplier warrants that:

- it shall manufacture -if applicable-, pack and supply each product in a professional manner and according to industry standards; taking into account the Order, the Technical Data, the specifications;
- all products supplied under this Agreement will:
 - be free from all defects of any kind;
 - be of proper quality;
 - be fit for their intended purpose;
 - not be injurious to the health or safety of any person;
 - comply with the specifications and additional requirements on the Order;
 - possess all the qualities which the Supplier held out to TVH as a sample or model;
 - be in accordance with all relevant governmental and legal requirements applicable to products of that nature;
 - are in conformity with the applicable EU Regulations and Harmonized Standards (and their future adaptations), such as but not limited to the Machinery Directive (2006/42/EC), EMC Directive (2004/108/EC), Low Voltage Directive (2006/95/EC), ATEX Directive (2014/34/EU), RoHS 2 Directive (2011/65/EC), WEEE Directive (2012/19/EU), Batteries and accumulators Directive (2006/66/EC), REACH regulation (1907/2006), CLP Regulation (1272/2008),...; and
 - not, directly or indirectly infringe the intellectual property rights of any third party;
- it shall supply each product together with all legally required data and documentation, such as, but not limited to, manuals, parts lists, copies of technical documentation, test reports, all information required to demonstrate compliance with the EC regulation and standards, country of origin documentation, safety data sheets, labelling (CLP). It shall keep these original documents and records, as well as the data used to issue such declarations or documents for a period of seven (7) years. Manuals (for use and maintenance) shall contain all legally required data and must be supplied on an electronic medium in English, at the latest upon delivery of the products.

- 9.2 CE marking of the product must be accompanied by an original EC Declaration of Conformity in English.

- 9.3 The Supplier warrants it shall obtain and maintain in force for the entire duration of this Agreement all licences, permissions, authorisations, consents and permits needed to manufacture -if applicable- and to supply the products in accordance with the terms of this Agreement.

- 9.4 The Supplier guarantees full compliance for series production, and this by sharing either a copy of their EN ISO

9001:2015 certification or by a written procedure showing quality compliance.

- 9.5 The Supplier provides a warranty for the products towards TVH and/ or its customers for a period of at least one (1) year upon delivery. A new warranty period shall apply in respect of every product that is replaced or repaired.
- 9.6 The Supplier shall indemnify, defend and hold harmless TVH from and against any and all liabilities, costs, expenses, damages, losses, claims, actions and causes of action suffered or incurred by TVH arising out of a breach, negligent performance or failure or delay in performance of this Agreement by the Supplier.
- 9.7 Non-compliance with the agreed upon terms of payment shall constitute default after written notification from the Supplier. Invoices not paid within fifteen (15) days after such written notification are subject to a late payment service charge equal to the normal legal interest rate.
- 9.8 During this Agreement and for a period of two (2) years thereafter, the Supplier undertakes to have adequate liability insurance covering its obligations under this Agreement, and will pay the premiums therefore. A copy of the Supplier's liability insurance policy shall be submitted to TVH and the Supplier will from time to time, at the TVH's request, provide proof of valid insurance coverage.

10. CONFIDENTIALITY

- 10.1 The Supplier undertakes to keep the existence and the contents of this Agreement, and all other information that is marked or is by nature confidential, strictly confidential, and will not disclose these to any third party. The Supplier undertakes to enforce this duty of confidentiality upon its employees and representatives. This duty of confidentiality remains in force after termination of this Agreement.
- 10.2 The provisions of this article shall not apply in those cases where disclosure is mandatory pursuant to a judicial order.
- 10.3 The Supplier shall not use TVH's names, trademarks, brands or part numbers in any promotion, marketing or announcement of Orders, without the prior written consent of TVH.

11. INTELLECTUAL PROPERTY RIGHTS

- 11.1 Each Party reserves all rights in its Intellectual Property Rights.
- 11.2 No licence is hereby granted directly or indirectly under any Intellectual Property Rights held, made, obtained or licensable by either Party now or in the future. However for the execution of this Agreement, TVH grants where necessary to the Supplier a non-assignable, revocable, royalty-free and non-exclusive license on the Intellectual Property Rights of TVH and the Supplier undertakes to use the Intellectual Property Rights (including esp. the Customized Tooling and Technical Data) exclusively for TVH and shall deliver such products and any products derived, derogated or inspired from the products exclusively to TVH.

12. BUSINESS CONDUCT

- 12.1 The Supplier agrees to comply with, and adhere to, all applicable national and international human rights, environmental and anti-corruption laws and regulations and the TVH Business Partner Code of Conduct (available at <https://www.tvh.com/about-tvh/code-of-conduct> at all times).
- 12.2 The Supplier shall provide all information reasonably requested by TVH to comply with its contractual obligations and its obligations under any applicable laws and regulations. TVH shall have the right to conduct audits and inspections of the Supplier's facilities and records,

with reasonable notice, solely to verify compliance with this Article 12. In case of non-compliance with this Article 12, TVH and the Supplier shall cooperate in good faith to remediate such non-compliance, and the Supplier shall take all necessary steps to remediate the non-compliance and implement corrective actions to prevent their recurrence. The Supplier shall keep TVH duly informed of the progress of such remediation and corrective actions.

13. GOVERNING LAW

- 13.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non- contractual disputes or claims) shall be governed by and construed in accordance with the laws of Belgium, without giving effect to any choice-of-law or conflict-of-laws rules or provisions, Belgian, foreign or international, including the United Nations Convention on Contracts for the International Sale of Goods (1980) ("CISG"), that would cause the laws of any jurisdiction other than Belgium to be applicable.
- 13.2 Any dispute arising out of or in connection with this Agreement shall be subject to the non-exclusive jurisdiction of the courts of TVH's registered office, on the understanding that TVH has, at its sole discretion, the right to bring any dispute before the competent court of the Supplier's registered office and the Supplier and TVH hereby submit to the jurisdiction of such court for these purposes.

14. MISCELLANEOUS

- 14.1 Any amendment, waiver or modification to this Agreement shall be effective only when made in writing and signed by duly authorized representatives of both Parties.
- 14.2 If any provision of this Agreement would not be enforceable fully or partially, such non-enforceability will not affect the enforceability of the remainder of the article or paragraph of this Agreement and this article or paragraph shall automatically be reduced to what is legally acceptable.
- 14.3 Nothing contained in this Agreement shall constitute a representation or agreement that the Parties hereto are members of any partnership, joint venture, association, syndicate, agency or other entity for any purpose whatsoever and the Parties hereto agree and acknowledge that they are independent contractors as their services relate to each other. Neither Party shall have the authority to contract for or bind the other in any manner whatsoever. Nothing in this Agreement shall be construed as implying joint liability between the Parties.
- 14.4 The Supplier shall not assign, transfer, novate or deal in any way with all or any part of the benefit of, or its rights or obligations under, this Agreement without the prior written consent of TVH. Any purported assignment or novation which does not comply with the terms of this Article shall, as between the Parties to this Agreement, be null and void. Subject to and upon any permitted assignment or novation any successor or assignee or novatee of the Supplier shall in its own right be able to enforce this Agreement as if it were a Party.
- 14.5 TVH has the right to assign, transfer, novate or deal in any way with all or any part of the benefit of, or its rights or obligations under, this Agreement to any of its affiliates.
- 14.6 The Supplier shall not delegate or subcontract the performance of any of its obligations under this Agreement without the prior written consent of TVH, such consent not to be unreasonably withheld or delayed. The Supplier shall be responsible for all acts and omissions of its

sub-contractors as if they were its own. The Supplier shall procure that any sub-contractor complies with the terms of this Agreement, and for these purposes all references to the Supplier should therefore be read as if they were references to the sub-contractor concerned.

- 14.7 Any failure or delay by a Party in exercising any right under this Agreement, the exercise or partial exercise of any right under this Agreement, or any reaction or absence of reaction by a Party in the event of breach by the other Party of one or more provisions of this Agreement, shall not operate or be construed as a waiver (either express or implied in whole or in part) of its rights under this Agreement or under said provision(s) or preclude the further exercise of any such rights. Any waiver of a right must be express and in writing. If there has been an express written waiver of a right following a specific failure by a Party, this waiver cannot be invoked by the other Party in favour of a new failure, similar to the previous one, or of a failure of another nature.
- 14.8 The rights and remedies arising under, or in connection with, this Agreement are cumulative and, except where otherwise expressly provided in this Agreement, do not exclude any rights or remedies provided by law or otherwise.
- 14.9 Only TVH is entitled to set off any undisputed amount the Supplier owes to TVH against any amounts payable by TVH under this Agreement.