

General purchase conditions - July 2017

General purchase conditions of Fri-Jado B.V. ("Fri-Jado"), published with the Chamber of Commerce under number 20007518.

1. APPLICABILITY

- 1.1. The Standard Purchase Conditions ("SPC") apply to all assignments Fri-Jado B.V. ("Fri-Jado") grants the contractor.
- 1.2. The assignments concern any request for information, request for tender, blanket order, call-off order, outsourcing, purchase order or framework agreement between Fri-Jado and the contractor, after written confirmation by an authorised Fri-Jado officer.
- 1.3. If the assignment granted to the contractor is in conflict with these SPC, the provisions in the assignment will prevail at all times.
- 1.4. Fri-Jado expressly rejects applicability of general terms and conditions of sale and delivery or other conditions of the contractor, unless Fri-Jado has accepted the applicability in writing.

2. DATA AND CONFIDENTIALITY

- 2.1. All designs, sketches, layouts, models, patterns, moulds, specifications, drawings, technical information, special application techniques and other data that are made available by Fri-Jado to the contractor for the benefit of the preparation or execution of the assignment remain the property of Fri-Jado.
- 2.2. The contractor must check the data provided by Fri-Jado for correctness and completeness immediately after receipt. If and in so far as the contractor has not notified Fri-Jado of any inaccuracy or incompleteness by the time it submits its tender, the contractor will be deemed to have accepted the data provided without reservation, and all consequences for the use of incorrect or incomplete data will be borne by the contractor.
- 2.3. The contractor may not use the data, models and moulds provided by Fri-Jado for any other purpose than for the preparation and execution of the assignment.
- 2.4. If the tender or assignment includes the creation of drawings or calculations, Fri-Jado must approve those drawings or calculations before the contractor starts the execution of the work. This approval does not discharge the contractor of its liability for hidden defects.
- 2.5. In respect of all goods the contractor delivered to Fri-Jado, the contractor guarantees Fri-Jado that the contractor will keep all data and information carefully during the applicable period indicated by national and international law, which are or may be important for the Technical Construction File of those goods, or for the acquisition and/or retaining of UL certifications, certificates of conformity (such as the CE declaration of conformity) and suchlike, and will provide them to Fri-Jado when first requested.
- 2.6. After execution or early termination of the assignment, the contractor must return all data provided to it, including any copies or photocopies thereof, to Fri-Jado when first requested, without any delay, and must guarantee that no data was left under its supervision.
- 2.7. The contractor will maintain absolute confidentiality with regard to all data referred to in Article 2.1, as well as other information and know-how relating to the assignment or Fri-Jado, of which the contractor has taken note for the benefit of the assignment granted to it.
- 2.8. The contractor will not communicate with third parties on the cooperation with Fri-Jado without Fri-Jado's prior written permission.

3. LAWS, RULES AND PERMITS

- 3.1. The contractor is deemed to be familiar with all statutory and other rules and regulations that apply to the execution of the assignment, including but not limited to those in the fields of safety, employment conditions and the environment. The contractor is obliged to take all measures required to comply with such rules and regulations.
- 3.2. The contractor will at all times observe all instructions issued by Fri-Jado regarding compliance with the statutory and other rules and regulations.
- 3.3. The contractor will indemnify Fri-Jado, without any reservation, against all damage and loss, costs and other adverse consequences, of any nature whatsoever, that may arise because the contractor fails to take measures to comply with statutory and other rules and regulations, or because the contractor does not observe the instructions issued by or on behalf of Fri-Jado.
- 3.4. The contractor holds all permits, exemptions and other decisions that are required or prescribed under public or private law for the execution of the assignment, unless agreed otherwise in writing.

4. PRICE

- 4.1. The price agreed with the contractor is fixed, exclusive of VAT and in the currency as stated in the assignment.
- 4.2. Changes to costs of materials, wages or other costs, or taxes due by the contractor will not be set off, unless stated otherwise in the assignment, on the understanding that in case of a general market price reduction during the term of the assignment the price of the goods in question will be reduced in accordance with the market price reduction.
- 4.3. The costs for preparing tenders and/or supplying samples and/or trial deliveries will be borne by the contractor, unless agreed otherwise in writing.
- 4.4. If, in the opinion of the contractor, contract variations will occur, the contractor must immediately report this to Fri-Jado in writing and state the consequences in terms of time and money. The execution of the assignment may not be started before an additional written assignment has been provided.
- 4.5. Set-off of contract variations will not take place until approved by Fri-Jado. Work performed by the contractor without Fri-Jado's written permission is at the expense and risk of the contractor.

5. SUPPLY OF MATERIALS

- 5.1. The materials to be supplied by the contractor must comply with the latest revision of:
 - drawings, descriptions, quality instructions, packaging instructions and/or any other specification that Fri-Jado informed the contractor of,
 - material characteristics, quantities, quality and/or reliability.The contractor must ensure that it has the latest revision of the documents referred to in this article, as indicated in the assignment.
- 5.2. The contractor will package all goods properly and carefully with due observance of the applicable statutory regulations. The contractor is liable for damage or loss caused by insufficient and/or improper packaging. The packaging must have a legible label indicating the assignment number, the article number and the quantity of the contents. The contractor must take back its packaging material free of charge at first indication and process the material in a verifiable environmentally sound way.
- 5.3. The delivery of materials takes place "Delivered Duty Paid", as referred to in Incoterms 2010, at the address indicated by Fri-Jado in the assignment. If no address has been indicated, the contractor must ask Fri-Jado at what address the materials must be delivered in good time before delivery of the materials.
- 5.4. Delivery of the materials must take place on the delivery date that has been agreed and within the delivery time that has been agreed. Without Fri-Jado's permission, delivery and unloading of the materials outside of normal working hours is not possible. If Fri-Jado is unable to receive the materials within the agreed delivery time, the contractor will arrange for the storage and guarding of the materials for its account, until delivery can take place.
- 5.5. Each shipment of the contractor to Fri-Jado must be accompanied by:
 - a waybill which states the assignment number, the number of packages and weight,
 - a packaging list which states: the assignment number, article number, description of the goods and, if present, the unique serial number per product,
 - in so far as relevant in respect of the goods, the applicable treatment, processing, connection, operating and maintenance instructions,
 - a product information sheet that is made available for each delivery of chemical and other dangerous substances, which includes regulations regarding the personal protective equipment to be used and other provisions in the area of the environment, safety, health and hygiene. This sheet must also indicate which measures must be taken in case of accidents, fire or other emergencies. These regulations must be drawn up in Dutch;
 - a product and/or material certificate, if this has been agreed.
- 5.6. Fri-Jado will decide the way in which the delivered materials are inspected. Fri-Jado is also authorised to inspect (or arrange for third parties to inspect) the materials during the production process. The contractor must make all data and facilities required for the inspection available to Fri-Jado free of charge. The contractor must replace all materials that are rejected, for any reason whatsoever, for its own account. In that case, Fri-Jado is authorised to cancel the assignment granted to the contractor pursuant to Article 14 of these SPC. If materials have been damaged, they may also be repaired instead of replaced, but only with the written permission of Fri-Jado. In case Fri-Jado grants its permission, the contractor is not discharged of any guarantee commitment or liability.
- 5.7. If general merchandise that has been delivered and not been used become redundant and/or turn out not to be useful, the contractor will take these back at the invoiced price within three months after delivery. Fri-Jado will arrange for "Delivered Duty Paid" shipment of these goods, as referred to in Incoterms 2010.
- 5.8. Fri-Jado has the right to require submission of a CE declaration of conformity or a certificate of approval or of another similar declaration, which shows that the materials delivered or processed by the contractor have been inspected or checked by a general certified independent agency. The contractor guarantees that in terms of composition and characteristics the delivered materials meet all applicable requirements in the area of the environment, safety, health and hygiene, in evidence of which the contractor will submit a recognised quality declaration to Fri-Jado at its first request. The contractor is liable for all damage or loss Fri-Jado may incur due to the contractor in this matter, while the contractor will indemnify Fri-Jado against all claims of third parties as a result of the failure vis-à-vis Fri-Jado. The costs connected to a certificate or declaration are at the expense of the contractor. A certificate or declaration as referred to in this article does not discharge the contractor of its liability, nor of any guarantee issued by the contractor.
- 5.9. Fri-Jado will be informed in writing without delay of all changes to the composition of the materials to be delivered, failing which the contractor is liable for any damage or loss that may arise in this connection.

6. TRANSFER OF OWNERSHIP AND RISK

- 6.1. On delivery, the ownership and risk of the materials transfers to Fri-Jado, on the understanding that, in respect of materials that are rejected, the ownership and risk will be deemed to have never been transferred to Fri-Jado. In case of advance payment or payment in instalments, the ownership is transferred as soon as Fri-Jado has made the first payment.
- 6.2. Until the moment of delivery, the contractor must:
 - arrange for the correct marking or proper identification as the property of Fri-Jado and properly keep and store the entirety in a good condition, separated from the products and data of the contractor, and to indemnify it against rights from third parties, for its own account and risk;
 - arrange for insurance against the risk of damage and/or loss, at its own expense and risk. The insurance policy must state that any payment of claims due to lost, destroyed or damaged goods will be made directly to Fri-Jado. When first requested by Fri-Jado, the contractor will provide access to the policy and the policy conditions, or provide Fri-Jado with a copy or extract of the insurance certificate. The contractor must report any occurrence of damage and/or loss in writing to Fri-Jado immediately.

7. THE CONTRACTOR'S STAFF

- 7.1. The staff deployed by the contractor for the execution of the assignment is under its supervision and responsibility. Without Fri-Jado's prior permission, the contractor will not use any other staff than its own professional staff.
- 7.2. Staff present at Fri-Jado's location must be able to provide proof of identity immediately at all times by means of an identity document as referred to in the current Compulsory Identification Act. In addition to a valid identity document, foreign nationals employed by the contractor, within the meaning of the current Aliens Act, must also be able to show a proof of notification of the Centre for Work and Income or work permit immediately at all times, which shows that the person is authorised to perform work at the place of employment. Fri-Jado is authorised to make copies of these documents.
- 7.3. In case of misconduct or unsuitability of the contractor's staff or in case of refusal to comply with regulations or directions in the area of safety, employment conditions, order or the environment, Fri-Jado is authorised to deny those concerned access to the work or to remove them from the work. In such a case, the contractor is obliged to immediately arrange for alternative staff that does meet the requirements, without Fri-Jado being obliged to compensate the contractor for any ensuing costs. Of course, in such a case the contractor is also liable for all damage or loss Fri-Jado may incur as a result.
- 7.4. The contractor will also observe the working hours and rest periods at the location of Fri-Jado and the generally recognised public holidays as well as holidays or other collective free days, which are prescribed by the government or in a collective labour agreement to which Fri-Jado is bound. Fri-Jado is not liable for extra costs that may arise for the contractor as a result.
- 7.5. The contractor will make the prescribed protective equipment available to its own staff for its own account, unless agreed otherwise in writing.
- 7.6. Fri-Jado is not liable if the contractor's part of the work cannot be performed as a result of a strike or other forms of labour unrest among staff of Fri-Jado or a third party. The contractor may not bring to a halt the part of the work without Fri-Jado's prior written consent.
- 7.7. The contractor will duly comply with all obligations to continue to pay wages and other obligations vis-à-vis the contractor's staff, as well as the obligation to pay payroll tax and national insurance contributions and pension contributions. Fri-Jado will recover wage and other payments, which Fri-Jado must make to the contractor's staff pursuant to an applicable collective labour agreement, from the contractor. The contractor must compensate Fri-Jado for the statutory interest on such amounts.
- 7.8. The contractor must offer the hourly time sheets to Fri-Jado for signing, along with the names and citizen service numbers of the staff deployed by the contractor in the execution of the assignment, including the hours worked by each member of staff.
- 7.9. The contractor is not allowed to employ Fri-Jado's members of staff or to have them perform other work for the benefit of the contractor, or to approach these members of staff for a position elsewhere.

8. QUALITY, INSPECTION

- 8.1. The contractor has a valid ISO-9001 certificate or a similar certificate.
- 8.2. The contractor must at all times comply with the product and/or process quality requirements that have been drawn up separately, if applicable.
- 8.3. Fri-Jado is entitled to inspect (or arrange for third parties to inspect) the goods delivered and worked performed by the contractor in a manner desired by Fri-Jado. Fri-Jado is entitled to inspect (or arrange for third parties to inspect) the goods during the contractor's production process. The contractor is obliged to make all information and facilities required for the inspection available to Fri-Jado free of charge.
- 8.4. Immediately after receiving the notice of rejection, the contractor will correct any defects, which have led to rejection, at its expense, within a term to be set by Fri-Jado. If correction is not possible or responsible in the opinion of Fri-Jado, the contractor will arrange for replacement, without prejudice to Fri-Jado's rights to dissolve the arrangement in whole or in part in accordance with these SPC.
- 8.5. After consultation with the contractor on the compensation to be received, Fri-Jado is authorised to:
 - modify and/or repair the rejected goods under its own supervision;
 - keep and use the rejected goods.
- 8.6. The contractor will remove the rejected goods at its own expense, at Fri-Jado's demand. As long as this has not taken place, Fri-Jado will have these goods stored for the expense and risk of the contractor. Fri-Jado has the right to remove (or arrange to have third parties remove) rejected goods that have not been picked up at the expense of the contractor.
- 8.7. Approval of the delivered goods does not discharge the contractor of its guarantee commitments and of its other obligations or pursuant to the assignment and/or these SPC.

9. GUARANTEES

- 9.1. The contractor guarantees Fri-Jado that the granted assignment will be executed by the contractor in accordance with the requirements of sound work and in accordance with the provisions of the assignment, and furthermore with due observance of all other applicable requirements, standards and regulations. All goods to be delivered or processed by the contractor are new and will furthermore be of good quality and free from design, manufacturing, installation or material defects, and must in all aspects correspond to the samples provided to the contractor and be suitable for the use for which they are intended in accordance with the requirements set in the applicable statutory, contractual and/or other regulations.
- 9.2. If the assignment or the applicable specifications do not include another term and/or commencement date, a statutory guarantee period of twelve months after delivery of the goods applies, unless agreed otherwise in writing.
- 9.3. Visible and hidden defects that could not be established earlier and that were determined after the statutory guarantee period are still covered by the aforementioned guarantee provisions.
- 9.4. All defects determined by Fri-Jado will be repaired by the contractor on demand and for its own account. Instead of repair, Fri-Jado can also claim replacement. If the contractor does not comply with its obligations in this matter, Fri-Jado is authorised to have the repair or replacement carried out by a third party at the expense of the contractor, without any further demand required. In case of repair or replacement, the applicable guarantee period will apply again for the entire term and will not commence before repair or replacement has taken place.
- 9.5. The contractor guarantees that the goods delivered, or at least equivalent goods with the same specifications and dimensions, will be available for service purposes for a period of ten years, unless agreed otherwise in writing.

10. LIABILITY, INSURANCE

- 10.1. Fri-Jado is entitled to compensation of all damage or loss, of any nature whatsoever, including but not limited to direct trading loss and/or lost profits, which is the result of defects in goods or materials delivered by the contractor or work performed by the contractor or of any other shortcoming that can be attributed to the contractor.
- 10.2. Furthermore, the contractor is liable for all damage or loss that is the result of errors made by the contractor's staff or by other persons the contractor uses for the execution of the assignment. The contractor will indemnify Fri-Jado against all claims that may be made against Fri-Jado by third parties.
- 10.3. The contractor must ensure at its own expense that it has a sound insurance policy that covers the statutory and contractual liability of the contractor for damage or loss, which may arise during or in connection with the execution of the assignment. When first requested by Fri-Jado, the contractor will provide access to the policy and the policy conditions, or provide Fri-Jado with a copy or extract of the insurance certificate.

11. INDUSTRIAL AND INTELLECTUAL PROPERTY

11. The contractor guarantees that the use of the goods or materials delivered by the contractor or the materials used in the work do not infringe an industrial or intellectual property right of a third party, and the contractor indemnifies Fri-Jado against all claims that are instituted regarding such an infringement.

12. INVOICING

- 12.1. All invoices must meet the requirements of the current Turnover Tax Act or the requirements of any other alternative statutory regulation.
- 12.2. Where staff have been hired, each invoice must include the hourly time sheets signed by Fri-Jado. Without an appended hourly time sheet, an invoice will be deemed not to have been submitted.
- 12.3. For the delivery of goods or in the event of a difference in opinion regarding the delivery of goods, the contractor must provide Fri-Jado with a proof of receipt of the delivered goods signed by or on behalf of Fri-Jado, at Fri-Jado's first request.
- 12.4. The handling of invoices that do not meet all requirements described in these SPC will be suspended until the contractor has provided the missing data.

- 12.5. Invoices sent by the contractor to Fri-Jado after six months, to be calculated from the date of delivery of the goods, will not be accepted by Fri-Jado. The contractor's right to payment of these invoices will thereby have lapsed.
- 12.6. Not sending correct and completely filled in dispatch advice and packaging lists to the prescribed addresses can result in delay in payment.

13. PAYMENT

- 13.1. Payment of the goods and/or performed work does not entail a relinquishment of rights and cannot take place if and in so far the goods delivered and/or work performed by the contractor have been approved by Fri-Jado and the contractor has also met all other obligations pursuant to the assignment and these SPC. Payment will occur within sixty days of receipt of the invoice.
- 13.2. Where staff have been hired, Fri-Jado will at all times be entitled to pay the amount in national insurance contributions, payroll tax and turnover tax for which Fri-Jado is liable pursuant to the law in connection with the work assigned by the contractor by deposit into the contractor's G account or by paying these amounts to be borne by the contractor to the authorised tax authority or the social security administration agency involved. The amounts to be paid in this manner will be offset against the price agreed with the contractor and will serve as full discharge to that extent. As long as Fri-Jado still runs the risk of being held liable for payment of the national insurance contributions, payroll tax or turnover tax due by the contractor for which Fri-Jado is liable in law with regard to the work assigned to the contractor, Fri-Jado is authorised to suspend any payment it still owes the contractor for any reason whatsoever.
- 13.3. If it transpires that the contractor is unable to keep its payment obligations towards a third party to which the contractor the assignment granted by Fri-Jado, Fri-Jado is authorised to make the payments owed to the contractor directly to the third party involved. In such a case, Fri-Jado can offset all payments Fri-Jado has made for the account of the contractor against all payments Fri-Jado owes or will owe the contractor.
- 13.4. The contractor declares, without any reservation, to waive its right of retention of any other statutory right of suspension.
- 13.5. Fri-Jado is entitled to set off the amounts Fri-Jado owes the contractor against everything Fri-Jado can or will be able to claim from the contractor for whatever reason, also if such a claim is not yet due.
- 13.6. The contractor will only be able to claim payment in instalments or payment in advance if this has been expressly agreed. All payments will be deemed to be an advance to the final settlement. Before the payment in instalments or payment in advance takes place, Fri-Jado is authorised to require an unconditional and irrevocable bank guarantee from a bank that is acceptable to Fri-Jado, in addition to or instead of a transfer of ownership.
- 13.7. The invoice date is the commencement date of any additional discount and/or bonus schemes, unless agreed otherwise.
- 13.8. Late payment surcharges will not be charged.
- 13.9. The contractor is not permitted to pledge or sell, under any title whatsoever, any claims it has against Fri-Jado without written permission.
- 13.10. Fri-Jado is entitled to require the contractor to provide security for the performance of its obligations pursuant to the assignment, to the satisfaction of Fri-Jado.

14. DISSOLUTION

- 14.1. In case of a failure in the performance of the obligations of the contractor pursuant to the assignment granted by Fri-Jado to the contractor, Fri-Jado is entitled to cancel this assignment in whole or in part, without any prior demand or notice of default, by means of a single written statement addressed to the contractor.
- 14.2. In case of cancellation by the contractor, Fri-Jado can claim compensation of all damage or loss, of any nature whatsoever, that Fri-Jado may incur as a result. The damage or loss will also include the additional costs Fri-Jado must pay in order to have the assignment granted to the contractor executed or completed by a third party. Fri-Jado may offset the damage or loss, for which Fri-Jado may claim compensation, against the payments Fri-Jado owes the contractor. All payment obligations that Fri-Jado may have will be suspended, until it has been determined what amount Fri-Jado can claim from the contractor as a result of cancellation of the assignment.
- 14.3. Fri-Jado is never obliged to pay any type of fee or compensation as a result of cancellation of the assignment granted to the contractor.
- 14.4. In case of cancellation of the assignment by the contractor, the contractor is obliged to take back the goods or materials, which have been delivered by the contractor, but which Fri-Jado is unable to use due to the cancellation, as soon as possible against reimbursement of all payments which the contractor may have already received.
- 14.5. The provisions of this article apply accordingly, if the contractor applies for its own suspension of payments of insolvency, or the contractor's insolvency is applied for by third parties, or the contractor is granted a suspension of payments or is put into liquidation or the contractor suspends or winds up its business or transfers it to a third party.

15. APPLICABLE LAW, DISPUTES

- 15.1. The assignment granted to the contractor is exclusively governed by Dutch law.
- 15.2. All disputes that arise as a result of the assignment granted to the contractor or of any further assignment will be settled by the competent court in Breda.
- 15.3. If the contractor has its offices outside the Netherlands, Fri-Jado is exclusively entitled at all times to have the court that is competent in that case settle disputes with the contractor, without prejudice to the above.
- 15.4. If a dispute is decided in Fri-Jado's favour, the contractor is obliged to compensate Fri-Jado for all judicial and extrajudicial costs, including the costs for legal aid and also where any costs are involved that may not have been awarded by the court.
- 15.5. The Vienna Sales Convention 1980, as it came into effect in the Netherlands on 1 January 1992, does not apply.
- 15.6. Outside the EU, the New York Convention applies as it was drawn up in 1958.