

# General Conditions of Procurement (European Union)

## 1 General

- 1.1 These Conditions shall be an integral part of the offer submitted by supplier (“**Seller**”) to Envalior (“**Buyer**”) and the contract between Buyer and Seller and of all future purchase or work and materials supply contracts with the Seller.
- 1.2 Conflicting or deviating conditions of delivery stipulated by Seller or other reservations made by Seller shall not be deemed accepted unless Buyer has expressly accepted them in writing for a specific order.
- 1.3 Any amendments or side agreements shall not be effective unless Buyer has accepted them in writing.

## 2 Seller’s Offer

- 2.1 Seller’s offer shall cover exactly the quantities and qualities specified in Buyer’s request and shall expressly state any potential deviation from Buyer’s request.
- 2.2 The offer shall be submitted free of charge and without any obligation being imposed on Buyer. Remuneration for offer submission or cost estimates must be agreed in writing.
- 2.3 Seller shall notify Buyer in writing without undue delay if Seller has technical concerns or is aware that Buyer’s requisition is (potentially) incomplete or has errors.

## 3 Conclusion of Contract

- 3.1 A contract is concluded between Buyer and Seller when Buyer places a purchase order based on a Seller offer, or upon execution of a purchase agreement.
- 3.2 Orders and alterations to orders shall be made in writing (text-form suffices). In case of doubt, verbal agreements, or arrangements discussed over the phone shall only be binding if confirmed in writing.
- 3.3 Upon receipt of Buyer’s purchase order, Seller shall immediately check the order for detectable errors, ambiguities, incompleteness, and unsuitability of the specifications selected by the Buyer for the intended use. Seller shall inform Buyer immediately of any necessary changes or clarifications to the order.
- 3.4 Each order or alteration to an order shall be confirmed by Seller in writing.
- 3.5 Seller shall always state Buyer’s order number in all correspondence with Buyer, including any invoice.
- 3.6 An existing contract may only be amended in written form. Any waiver of this requirement must be in written form. For the avoidance of doubt, the written form requirement is met when electronic documents with facsimile signatures are exchanged or when the Parties use a standard online document signature service or requisition tool (such as SAP).

## 4 Shipment

- 4.1 Unless agreed otherwise, Seller shall deliver any goods to the agreed Buyer facility according to Incoterms DDP (delivery, duty paid to destination named by Buyer).
- 4.2 When Seller dispatches the goods, Seller shall send Buyer dispatch notes for each consignment separately from the goods and invoice. All goods shall also be accompanied by a delivery note and packing slip.
- 4.3 If the goods are sent by ship, the shipping papers and invoice shall state the name of the shipping company and of the ship.
- 4.4 Seller shall choose the mode of transport most favorable and most suitable for Buyer. Seller shall show in full the order reference number and point of unloading specified by Buyer in all dispatch notes, delivery notes, packing slips, bills of lading and invoices, on the outer packaging of the goods and elsewhere if appropriate.
- 4.5 Seller shall always label, pack and ship dangerous goods in compliance with the appropriate national or international regulations. The accompanying documents shall show not

only the risk category but also any further particulars required by the appropriate transport regulations.

- 4.6 Seller shall reimburse Buyer for any additional costs incurred by Seller’s noncompliance with the provisions in this section.
- 4.7 Any consignments of which Buyer is unable to take delivery because of Seller’s non-compliance with these provisions shall be stored at Seller’s expense and risk. Buyer shall have the right to ascertain the contents and condition of such consignments. Construction tools and equipment shall not be loaded together with goods.

## 5 Insurance

- 5.1 Seller shall take out at his own expense adequate liability insurance to cover damages resulting from services rendered or goods delivered to Buyer. Upon Buyer’s request, Seller shall submit insurance certificate copies.
- 5.2 Seller shall insure any machines, tools, and other items loaned to Buyer against the risk of loss or damage. Buyer shall not be liable for damage or loss of these items caused by slight negligence.

## 6 Delivery

- 6.1 Unless otherwise stipulated in the order, the place of performance shall be the point of delivery specified by Buyer.
- 6.2 The agreed delivery timeline commences on the date of Seller’s receipt of Buyer’s purchase order.
- 6.3 Early or partial deliveries require Buyer’s written consent.
- 6.4 If Seller believes he cannot meet, or meet in time, any of his contractual obligations, he shall inform Buyer thereof without undue delay, stating the reasons and the estimated delay duration.
- 6.5 For any delivery delay culpably caused by Seller, Buyer shall be entitled to claim a contractual penalty from Seller in the amount of 0.3% of the net value of the delayed portion of the delivery per commenced working day, up to a maximum of 5% of that amount. Further remedies available to Buyer are not affected by this clause. Buyer may claim contractual penalties until the final payment.
- 6.6 Title to any delivered goods shall pass upon delivery, or acceptance, if applicable.
- 6.7 The goods supplied must conform to the conditions of origin specified in the preferential agreements of the EEC, unless the order confirmation expressly states otherwise.
- 6.8 Ownership of the delivered goods shall take place upon the passing of risk, or acceptance (if applicable).

## 7 Inspection of Deliveries

- 7.1 Upon receipt of a delivery, Buyer shall examine whether the delivery corresponds to the order. Buyer shall also examine the shipment for apparent defects.
- 7.2 If Buyer discovers any deficiency during these inspections or at any later stage, he shall inform Seller accordingly.
- 7.3 Buyer may raise a complaint with Seller for visible defects within two weeks after delivery and for hidden defects within one month after discovery of the defect.

## 8 Testing

- 8.1 This section applies only if seller’s good are subject to testing by Buyer.
- 8.2 Seller shall inform Buyer not less than one week in advance of the date on which the goods will be ready for testing and shall agree with him a test date.
- 8.3 Seller shall bear the costs of such tests, including his own personnel costs, but excluding Buyer’s personnel costs.
- 8.4 If the test fails or cannot take place due to Seller’s fault, Seller shall bear Buyer’s personnel costs.
- 8.5 Seller shall bear all costs for the material certificates required for the primary materials.

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### 9 Work on Buyer's premises

- 9.1 If Seller performs assembly, construction or maintenance work on Buyer's premises, Seller's personnel shall observe Buyer's safety and conduct regulations for contractors. If Seller's staff does not receive these regulations from Buyer, it must request them from Buyer's staff.
- 9.2 Buyer shall not be liable for any of Seller's items that his personnel brought onto Buyer's premises.

### 10 Production Documents and Tools

- 10.1 All drawings, standards, guidelines, methods of analysis, recipes and other documents supplied by Buyer to Seller for the manufacture of the goods, as well as any such documents prepared by Seller according to special instructions from Buyer, shall remain Buyer's property and shall not be used for any other purpose, reproduced, or made available to third parties by Seller. Seller shall, if so requested, return them to Buyer without undue delay.
- 10.2 Seller shall supply to Buyer in good time, at no extra cost to Buyer and without being specially requested to do so, all documents needed by Buyer for the use, erection, installation, processing, storage, operation, servicing, inspection, maintenance, or repair of the goods supplied.
- 10.3 Whenever Buyer specifies standards or regulations, the latest version shall apply. Upon Buyer's request, Seller shall supply Seller with his works standards and regulations.
- 10.4 Molds, models, tools, films, etc. that Seller produced to execute the order shall become Buyer's property upon payment, even if they remain in Seller's possession. Seller shall be obliged to hand them over to Buyer upon request.

### 11 Invoicing

- 11.1 Seller's invoiced line-items, quantities and prices shall correspond to (and not exceed) Buyer's purchase order.
- 11.2 Any additional or deleted services or supplies shall be stated separately in the invoice.
- 11.3 Should Seller reduce his prices or grant better conditions to all customers after Buyer has placed his order and before delivery, Seller shall procure that these reduced prices and improved conditions are reflected in his invoice.

### 12 Payment, Assignment of Claims

- 12.1 Unless otherwise agreed, payments shall be due 90 days after delivery and receipt of invoice.
- 12.2 Payment does not represent an acknowledgement that Seller performed as contractually agreed.
- 12.3 Seller may only assign or transfer any contractual claims with Buyer's written permission. Buyer may assign this agreement to an affiliated company, meaning any entity which directly or indirectly controls, is directly or indirectly owned, or controlled by, or under common control with Buyer.
- 12.4 Seller may only offset any claims with claims against Buyer if they are undisputed or have been confirmed by a court.

### 13 Warranty and Defect Remediation

- 13.1 Buyer shall notify Seller of any defects in the delivered goods or the provided services as soon as they are discovered in the regular course of business.
- 13.2 If Buyer identifies a deficiency in Seller's delivery at any time until the warranty expires, Seller must at his expense and at Buyer's reasonable discretion either remediate the deficiency or reperform delivery within a reasonable period set

by Buyer. For the avoidance of doubt, Buyer may claim further remedies under statutory law.

- 13.3 If Seller does not meet a reasonable remediation deadline set by Buyer or if such deadline is not necessary or not feasible because of an urgent need for the delivery, Buyer shall be entitled to procure the delayed goods from an alternative source at Seller's expense.
- 13.4 If Seller is notified of a defect, the warranty period shall be extended by the time between such notification and the defect remediation. If Seller replaces the faulty goods, the warranty period shall begin anew; if the goods are partially replaced, this only applies for the replaced portions.

### 14 Quality Assurance

- 14.1 Seller shall maintain a state-of-the-art quality assurance system. Buyer and third parties nominated by Buyer shall be entitled to audit Seller's quality assurance system during normal business hours by serving two weeks advance written notice, and subject to a confidentiality agreement.

### 15 Confidentiality

- 15.1 Seller shall treat as confidential any Buyer-supplied documents, data, terms of reference, business processes or other information. Seller shall make confidential information available only to those employees who need the information for the fulfillment of their duties and shall ensure that such employees are also subject to a duty to treat such information as confidential. Seller shall use this information exclusively for the purpose of performing the deliveries and services. For the avoidance of doubt, this shall not preclude Seller from subcontracting.
- 15.2 Seller must obtain Buyer's written consent before publishing the business relationship in any marketing material.

### 16 Intellectual Property Indemnification

- 16.1 Seller shall indemnify and hold harmless Buyer from any claims and costs raised by a third party against Buyer that relates to an (alleged) infringement of intellectual property rights if Buyer uses Seller's goods and services in conformance with Seller's specifications. This obligation expires five years after delivery or acceptance, whichever is later.
- 16.2 Any license fees that Buyer requires for the proper contractual use of Seller's products and services shall be borne by Seller.

### 17 Compliance with Laws, Code of Conduct

- 17.1 Seller shall comply with all applicable laws and regulations.
- 17.2 Seller shall also comply with Buyer's Supplier Code of Conduct as published at [www.envalior.com/CoC](http://www.envalior.com/CoC).
- 17.3 Should Seller breach his obligations under the CoC and should Seller be unable to remediate a reported breach within a reasonable time, Buyer shall be entitled to terminate the applicable agreement for cause.

### 18 Applicable Law

- 18.1 Customary trade terms shall be interpreted in accordance with Incoterms 2020.
- 18.2 The law of the country in which the ordering Buyer entity has its seat shall apply. Venue shall be the competent court closest to Buyer's registered seat.
- 18.3 The UN Convention on Contracts for the International Sale of Goods shall not apply.