



BEUMER Group General Purchase Terms & Conditions

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0. PREAMBLE

These general conditions for purchase of goods ("the Conditions") reflect Supplier's obligations and liabilities when Purchaser procures components/equipment/articles (hereinafter referred to as "Supplies").

1. GENERAL CONDITIONS AND ORDERS

The Conditions apply to all Supplies and take precedence over any additional or conflicting terms and conditions. Any change or addition to the Conditions must be agreed in writing by the Parties to be valid. The Conditions form an integral part of any Purchase Order submitted by Purchaser to Supplier. If the Order refers to a Supplier proposal, only the technical specifications shall be deemed to apply, and the said reference shall not in any way affect the Conditions.

The Order and other documents agreed between the parties constitute the entire agreement between the parties. The agreement replaces and supersedes all other prior oral and/or written agreements between the parties. When Supplier confirms the Order or performs, delivers or invoices any Supplies set forth in the Order, Supplier agrees and accepts the Order and the Conditions and waives any Supplier terms to the contrary.

"Supplies" mean the entire scope of works including but not limited to the supply of goods, products, equipment, services etc., to be delivered by Supplier to Purchaser in accordance with the Order.

Only written agreements are binding on the Parties. Any written communication related to an Order must include the Order number and other relevant information requested by Purchaser.

The ordered quantity, price and delivery date must be confirmed promptly after receipt of this Order (however, no later than 3 workdays after receipt of Order). Order confirmation to be sent to PURCHASER at 4160FAX@beumergroup.com

SUPPLIER is obliged prior to manufacturing and delivery to check drawing(s) and /or specifications submitted by Purchaser together with the Order.

2. PURCHASER & SUPPLIER RELATIONSHIP

The relationship of the Parties is that of independent legal entities dealing at arm's length. Nothing in the Order may be deemed or construed to constitute Supplier as an agent or employee of Purchaser or to have any other kind of partnership with Purchaser, and Supplier must only represent itself and not act on behalf of Purchaser. Purchaser is thus also exempt of any responsibility or liability for labour, social security or taxes with respect to Supplier and its employees assigned to the execution of an Order.

3. COMPLIANCE

Code of Conduct

Supplier shall respect and adhere to internationally recognized standards on human rights, anti-corruption, environment and labour, such as but not limited to United Nations Global Compact (UNGC). If and to the extent Purchaser may be committed to any specific principles, codes of conducts, etc. of its customer in question, Supplier shall be willing to comply with such specific requests if relevant to the Supplies. Supplier shall require its supply chain to adhere to the same rules and if requested Supplier shall reply to a self-assessment questionnaire submitted by Purchaser. Any non-compliance on the part of Supplier shall be deemed to constitute material breach of the Order.

Anti-Corruption

Supplier must comply with applicable anti-corruption laws and regulations (e.g. the UK Bribery Act of 2010 and alike) and undertake and warrant to Purchaser that Supplier and its officers, directors, shareholders, employees, agents and any other person acting directly or indirectly on its behalf, shall not, directly or through third parties, give, promise or attempt to give, or approve or authorize the giving of, anything of value to any person, public officials or any entity for the purpose of securing any improper advantage for Supplier (or Purchaser).

Regulations & Standards

Supplier undertakes to ensure:

that the Supplies conform to European Machinery Directive 2006/42/EC and Annexes, as amended from time to time, and that a full technical file cf. said Machinery Directive Annex VII is available to Purchaser upon request; and

that the Supplies conform to all project specifications and other requirements, applicable laws, regulations and standards in force at the time of handover in the country stated in the Order as the place of use or in Denmark, if no place of use is stated. Supplier is deemed to be familiar with any such applicable laws, regulations and standards; and

that all required documentation to be submitted to Purchaser comply with the aforesaid Machinery Directive 2006/42/EC and all relevant laws, regulations and standards and with Purchaser's project specific requirements; and that services, if any, are delivered in accordance with market standards and good practices or such other level of standards as the Parties may agree.

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Environment, Duty to Declare and Dangerous Goods

Supplier undertakes to:

provide a duly and detailed declaration no later than the date of delivery of the Supplies or the first part thereof if the Supplies are subject to imposed restrictions and/or information requirements (e.g. REACH (EC1907/2006), RoHS (2011/65/EU));

inform Purchaser accordingly and no later than the date of confirming the Order if the Supplies are classified, fully or partly, as dangerous goods according to international regulations;

provide the Purchaser in writing prior to any delivery of Supplies with all necessary information if the Supplies, fully or partly, contain dangerous substances or require the taking of special safety precautions during handling, transport, storage or use. Said information shall include but not be limited to the nature of said substances and the precautions which the Purchaser shall and/or ought to take;

ensure that before dispatch, the appropriate instructions and warnings are clearly displayed on the Supplies in question and on the packaging in which they are placed. In particular, and without this provision being restrictive, Supplier shall provide Purchaser in writing with any indications, instructions and warnings necessary in order to comply with the legislative or regulatory provisions applicable for health and safety considerations.

Export Control and Foreign Trade Data Regulations

Supplier shall comply with all applicable export control, customs and foreign trade regulations ("Foreign Trade Regulations") and shall advise Purchaser in writing within two weeks of acceptance of the Order - and in case of any changes without undue delay - of any information and/or data required by Purchaser to comply with all Foreign Trade Regulations in case of export and import as well as re-export, including without limitation:

All applicable export list numbers, including the Export Control Classification Number according to the U.S. Commerce Control List (ECCN); and

The statistical commodity code according to the current commodity classification for foreign trade statistics and the HS (Harmonized System) coding; and

The country of origin or non-preferential origin, as the case may be; and

Supplier's declaration of preferential origin or certificates, if required;

Supplier shall be liable for any expenses, cost, damages etc. incurred by Purchaser due to Supplier's breach of any of the above obligations. Any such breach shall be deemed to constitute a material breach.

Health & Safety

Supplier must comply with all laws, ordinances, rules, regulations, codes and requirements relating to employment standards, occupational health and safety, hazardous materials regulations, and protection of the public as well as all of Purchaser's health and safety and security programs at Site. Supplier shall familiarise itself with and observe all safety regulations and other provisions at the project place of work (the "Site") and ensure that his employees and subcontractors are properly instructed as Supplier is responsible for their safety and his equipment at Site.

Purchaser is working according to Occupational Health and Safety Management System OHSAS 18001 and Environmental Management System ISO 14001. Purchaser's HSE Policy includes compliance with legal requirements and continuously improvements and Purchaser's HSE requirements are documented in a HSE Plan and includes the entire Installation and Commissioning processes, including all the human, material and technical means that Purchaser is to use when executing its scope of works. Such said HSE Plan is applicable to all activities executed by Purchaser and by suppliers working on behalf of or for Purchaser and which could cause any health, safety and environmental impacts during a project.

Documentation

Supplier warrants that his provision of documentation will allow unrestricted maintenance, development and/or support of the Supplies and that the Supplies shall be designed, manufactured and installed fully compliant with the Machinery Directive 2006/42/EEC harmonized norms and applicable laws.

Supplier must compile its documentation of the Supplies and the complete assembly according to Machinery Directive 2006/42/EEC appendix IIA and EN60204-1 as well as EN 82079-1 including e.g. but not limited to Risk Assessment, Essential Health & Safety Requirements and Manufacturers Declaration of Conformity (DoC).

Supplier shall provide all technical information and documentation in English in accordance with Purchaser's documentation standards and/or formats.

The documentation must be written in a correct and easily understood language intended for the specific target group and using a consistent, i.e. uniform terminology.

O&M manuals must be delivered to BEUMER Group no later than 2 weeks prior to commissioning

In case BEUMER chooses to install the Supplies, Supplier must assure delivery of adequate installation manuals as part of the delivery and before start of installation.

As build documentation must be delivered to BEUMER Group no later than 2 weeks after HO to the customer.

Supplier shall further provide the documentation for operation, maintenance and safety in local language of the Site, i.e.: General information, Maintenance Safety procedures, Operational instructions for service technicians, Preventive maintenance procedures, Special tools, Trouble shooting and Replacement instructions.

Additional requirements, if any, in regard to documentation will be described in the Order.

Noise

Supplier must adhere to and comply back-to-back with requirements regarding noise as stipulated in the respective projects.

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Certificates

Supplier must adhere to and comply back-to-back with requirements regarding certificates as stipulated in the respective projects, including possibly local demands for certain certificates at the project site location.

Supplier must as a minimum provide Purchaser with a CE certificate and a CE conformity declaration.

The types of certificates may be one or more of the following as the case may be, however, without being considered an exhaustive list:

CE / CSA / UL / CCC

Security of the traveling public: TSA / CATSA

Field Service

Supplier is obliged to provide all relevant information's about the products, functionality and advances with the product for evaluation of the products – including information about the product for Purchaser's sales people in the quotation and selling phase.

Supplier is obliged to provide Service check lists and make these available in the documentation for Purchaser's Field Service Technicians and to provide Purchaser with end user documentation including an overall overview of all aspects where service is necessary and the required intervals of service tasks.

Supplier must provide training in products, systems and controls for Purchaser's Field Service technicians and must warrant and guarantee that lead time for sending Man-on-Site can be kept within 24 hours from Purchaser's call-out.

Pricelist for Field Service to be regulated according to index "ILON15" as stipulated under Spare Parts.

Hotline / Support

Supplier must warrant and guarantee to provide 24/7/365 Hotline / Support on a global scale for a period which is back to back with the warranty period Purchaser has towards the end customer.

Prices

The prices for Hotline / Support must be agreed and covered by the initial Supplier contract, so that the Supplier is able to support the Purchaser's Hotline and the end customer and is also to stipulate the price for the period after end of warranty. However, Purchaser do not expect that the hotline prices will increase after end of warranty period.

Training

Supplier must provide training for the Purchaser's Hotline to perform Level 1 and be Single Point of Contact ("SPOC") for the end customer. Purchaser being SPOC is mandatory since Purchaser do not want the customer to be in doubt who should be called in emergencies. The set-up must be agreed with the Purchaser's Head of Hotline or Hotline Team Manager.

Response Time

The response time to be considered and agreed from time to time but as a rule of thumb Supplier must comply with response time being within five (5) minutes.

Reaction Time

The reaction time must be agreed from time to time considering that Purchaser always performs Level 1 and that Supplier hence performs Level 2. As a rule of thumb Supplier must comply with reaction time being within fifteen (15) minutes.

Man on Site ("MoS")

"MoS" needs to be available globally and as a rule of thumb Supplier must be able to send MoS within one (1) hour from Purchaser's call-out.

The prices for call out "MoS" must be agreed by the initial Supplier contract.

Reporting

Supplier must provide a report for the actual incident and send it to Purchaser within 24 hours from resolving the incident. The standard Purchaser Hotline template must be used by Supplier.

4. ORDER – FREE ISSUE MATERIAL - ACCEPTANCE OF SUPPLIES – SURVIVING PROVISIONS - ASSIGNMENT – WAIVERS

Order

An Order must be accepted by the Supplier within three (3) working days from the date of the Order in order to be binding on Purchaser. Proposal(s) and/or provision of samples from Supplier shall be non-binding and free of charge to Purchaser.

Purchaser may at any time and at his sole discretion cancel an accepted Order without incurring any liability save that Purchaser will pay the Supplier the reasonable cost of any documented work performed prior to Purchaser's notice of cancellation.

Free Issue Material

If Purchaser makes any materials such as components, machinery, tools, models, moulds, jigs and fixtures, accessories, etc. available to Supplier for the limited purposes of Supplier's execution of an Order and Supplier shall assume all risks relating thereto throughout the period when they are made available to Supplier.

Supplier shall keep the material in good working order, except for normal wear and tear, and keep them insured against any damage that they might suffer, and the materials shall clearly be marked as being the property of the Purchaser.

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Any damage or deterioration that such materials may suffer due to improper use or negligence by the Supplier shall be repaired at Supplier's cost. Without prejudice to other rights of Purchaser, Supplier shall return the free issue materials upon Purchaser's first request.

Ownership of tools manufactured or acquired by the Supplier especially for the purposes of the Order such as models, moulds, jigs and fixtures, accessories or others, shall be transferred to the Purchaser at the time of their manufacture or acquisition by the Supplier. The Supplier shall return the said tools etc. to the Purchaser upon Purchaser's request.

Acceptance of Supplies

Purchaser's acceptance of the Supplies shall not constitute a waiver of any warranty obligation of the Supplier.

Purchaser shall be under no duty to inspect the Supplies before utilizing or re-sale or re-shipment to Purchaser's customers, and altering, utilizing, repacking or re-shipment, or otherwise dealing with the Supplies, shall not be considered an acceptance of the Supplies so as to bar Purchaser's right to reject same for non-conformity whatsoever.

Rejections, complaints and notices of defects in the Supplies will be considered made in due time if they are made in a reasonable time after Purchaser discovers or learns of the existence thereof. Any Supplies rejected by Purchaser will be held at Supplier's risk, subject to Supplier's instruction, or at Purchaser's option, returned to Supplier at Supplier's expense, and such return will be adequate notice of rejection of the Supplies.

Surviving Provisions

Provisions of the Order, which are either expressed to survive termination of said Order or which by nature or context is contemplated to survive termination will remain in full force and effect notwithstanding the termination. Such provisions may be but are not limited to indemnity or obligation of confidence.

Assignment

Supplier shall not assign, subcontract or otherwise transfer or delegate any rights or obligations under the Order or any part thereof without the express written consent of Purchaser. Any attempt to so assign, subcontract or delegate without Purchaser's consent shall be void. The consent by Purchaser shall not relieve Supplier of its obligations hereunder.

Purchaser is entitled to assign, subcontract or otherwise transfer its rights and obligations under the Order in whole or in part to any Purchaser group entity or Customer. In any such event Purchaser will duly inform Supplier.

Waivers

The failure of Purchaser to enforce or exercise, at any time or for any period, any term of the applicable Conditions, Supplies or the Order does not constitute, and shall not be construed as, a waiver of such term and shall not affect the right later to enforce such term or any other term herein contained.

The failure or delay of Purchaser to insist upon performance of any provision or part of a provision of the Order or the failure or delay of Purchaser to exercise any right or remedy to which it is entitled hereunder shall not constitute a waiver thereof and shall not cause a diminution of the obligations created by the Order.

5. VARIATIONS TO THE SUPPLIES

Purchaser is at any time entitled to require variations of the Supplies, and Supplier shall carry out such requests. Supplier shall only make such variations to the Supplies, whether by way of alteration, addition or omission, as may be instructed by Purchaser in writing to Supplier (hereinafter referred to as a "Variation").

Supplier shall only act upon written instruction by Purchaser and Supplier shall thus not act upon an unconfirmed instruction for a Variation of the Supplies.

Upon receipt of a written Variation Instruction Supplier shall proceed with the Variation even though the amount of any resultant increase or decrease, if any, in the Contract Price or Time Schedule has not yet been determined.

6. DELIVERY

Supplier shall deliver the Supplies FCA INCOTERMS®2010 at Supplier's registered address unless the Order specifies otherwise.

For **Spare Parts** the terms of delivery must be: **DDP INCOTERMS®2010**.

Time is of the essence and Supplier shall thus strictly comply with the date(s) of delivery specified in the Order. Partial delivery may only take place subject to Purchaser's prior written acceptance.

Supplier shall be responsible for safe and adequate packaging and packing of the Supplies and shall conform to Purchaser's forwarding instructions and specific instructions for packaging and packing, if any, including any particular requests for marking and use of project related crate numbering system, if any.

Supplier shall provide a delivery note in each delivery informing about all data necessary for the identification of the Supplies, including the Order number, project number, identification number(s) and quantity shipped. In the event of missing quantity information Purchaser's counting and/or weighing of the delivery shall be deemed to serve as evidence of the quantity delivered.

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7. SCHEDULE

Supplier must deliver the Supplies in a timely manner complying with Purchaser's sequence of manufacturing in order for Purchaser to be able to meet contractual milestones of its Main Contract with its Customer.

Supplier recognises that the time schedule is as known at present but also that it may change subject to e.g. Customer's requirements and that Purchaser thus at any time during the Project phase - and by giving a reasonable notice – may change or postpone delivery milestone dates for the delivery of the Supplies without being charged by Supplier for additional costs.

In such case of postponement Supplier will store the Supplies in question in a safe and secure manner in a designated area at his premises only comprising goods for Purchaser for this Project without charging Purchaser for additional costs.

8. TITLE AND RISK

Without prejudice to Purchaser's rights and remedies, title to the Supplies shall pass to Purchaser upon delivery at Supplier's registered address cf. Article 6 above regardless whether the Order may specify a different delivery site.

Notwithstanding the delivery term cf. Article 6 above, all risk in each part of the Supplies shall remain with Supplier until the Supplies have been accepted by Purchaser.

Title and risk in regard to services shall pass to Purchaser upon its acceptance of Supplier's completion of said services.

Title to tools manufactured or acquired by Supplier for the purpose of the Order such as models, moulds, jigs and fixtures, accessories or others, shall be transferred to Purchaser at the time of their manufacture or acquisition by Supplier. Supplier shall handover such tools to the Purchaser upon his acceptance of Supplier's performance of the Order.

9. PRICE AND PAYMENT – INSURANCE – TAXES, FEES AND DUTIES ETC. - BONDS

Price & payment

The purchase price shall remain firm and fixed as stated in the Order and shall not be subject to adjustment except in accordance with the provision of these Conditions.

Unless otherwise agreed or stated in the Order, Purchaser shall pay the purchase price for the Supplies within current month + 62 days. Invoice may be issued upon acceptance of delivery by Purchaser, unless the Parties agree otherwise e.g. a shorter period against a cash discount.

INSURANCE

Supplier shall hold and maintain global insurance coverage in accordance with good international industry practices and applicable law at its expense with a reputable insurance company, including but not limited to Public and Product Liability. Said insurance(s) shall be subject to the following minimum coverages: 6,000,000 EUR (six million euros) per incident of damage to property and/or personal injury and 500,000 EUR (five hundred thousand euros) for financial losses.

In addition, Supplier shall provide such other insurances and coverages that Purchaser may reasonably require from time to time. Upon request Supplier shall present evidence that the required insurances are in force. The required insurances shall in no way be construed as a limitation of Supplier's liability.

Supplier shall also provide insurance coverage against damage to the Supplies while in transit to the place of delivery specified by Purchaser; this cover shall be equal to 110% of the Order value.

Taxes, fees & duties etc.

Any and all taxes, fees, duties and other sorts of charges pertaining to the Supplies and/or Supplier's delivery of the Supplies shall be borne exclusively by Supplier, regardless when, where, by whom and for whatever reasons any such taxes, fees, etc. may be imposed on the Supplies and/or Supplier.

It shall be the explicit and unconditional obligation of Supplier to secure knowledge of any relevant laws and regulations in respect of required taxes (including exemptions if any), duties, etc. and of any subsequent obligation (or risk of same) for Purchaser to withhold and/or effect payment to authorities on the part of Supplier.

If Purchaser is requested either by law or authoritative instruction to either withhold and/or effect payment to authorities for any taxes, duties, etc. pertaining to the Supplies and/or Supplier, Supplier shall fully reimburse Purchaser of any such imposed amounts, save for any amount withheld by Purchaser.

If applicable law provides tax exemption for Supplier and assistance from Purchaser is required for achieving the tax exemption, then Purchaser will provide such reasonable assistance.

Bonds

Purchaser may request Supplier to issue an irrevocable and unconditional Performance Bond and/or Warranty Bond payable on Purchaser's first written demand. Supplier agrees to issue said Bond(s) either by a Bank named by Purchaser or by an internationally recognised Bank. The bond(s) shall be issued in the format requested by Purchaser.

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10. DELAY

If it becomes reasonably apparent or Supplier becomes concerned that the progress or completion of the Supplies, whether fully or partly, will or may be delayed, Supplier shall forthwith give written notice to Purchaser which shall include:

- The cause of the delay;
- Steps to prevent or mitigate the delay
- Expected extent and impacts of the delay;
- A revised programme, if required, in such form as Purchaser may reasonably require;

If delivery of the Supplies, or a part thereof, is delayed, Supplier shall immediately inform Purchaser of the delay and of the necessary initiatives taken by Supplier to mitigate the delay. Supplier shall cover its own costs relating to the delay and Purchaser shall be entitled to claim liquidated damages at the rate of half a per cent (0.5%) of the total Order value for every commenced day of delay, unless otherwise specified in the Order.

Supplier acknowledges that the liquidated damages are a fair, reasonable and genuine pre-estimate of losses that will be incurred by Purchaser in the event of a delay of the Supplies. Supplier waives any available rights under law or otherwise that the payments constitute a penalty or are unenforceable for any reason.

Purchaser shall furthermore be entitled to invoke the following measures at the Supplier's expense and risk:

- Insist that Supplier fulfils the Order; or
- Inform Supplier within a reasonable time that the Order is cancelled, fully or partly, as a result of the delay; or
- Take the delayed Supplies out of Supplier's hands and complete the delivery of the Supplies, which may include the involvement of a qualified third party; and
- Claim full compensation, which may include but not be limited to incurred losses, costs, expenses, damages and liabilities whether directly or indirectly, relating to or arising out of or in any way connected to the delay if Purchaser incurs losses exceeding the pre-estimated liquidated damages.

11. LIABILITY

Liability

Supplier shall hold Purchaser and its Customer harmless and compensate and/or indemnify them, as the case may be, against any and all liabilities, losses, damages, injuries, cost, etc. arising out of or in connection with the Supplies or the Supplier's performance of the Order.

If a third party submits a claim against Purchaser and/or his customer and the claim is based on Supplier and/or the Supplies, Purchaser shall inform Supplier immediately and Supplier shall be obliged to defend and indemnify Purchaser and/or his customer against the claim.

Notwithstanding any provision to the contrary whether by law or included in Supplier's proposal or Order acknowledgement, any and all limitations of Supplier's liability are rejected and shall be deemed invalid.

Use and liability of Subcontractors

Supplier shall be entitled to use sub-contractors for the delivery or performance of the Supplies and/or services subject to Supplier being liable for all acts and/or omissions of its subcontractors (including any sub-subcontractors) to the same extent as Supplier is liable to Purchaser.

Supplier must inform Purchaser prior to engaging or using subcontractors for the delivery or performance of the Supplies and services.

12. WARRANTY AND NON-CONFORMITY

Supplier warrants and guarantees that the Supplies shall

Be new, of good quality and workmanship, free from any defects and fit for the intended purposes and correspond to the current technical state-of-the-art;

Conform to the latest official regulations in the country of use and that it will comply with the safety/technical provisions, health and safety regulations and accident prevention rules applicable in the country of use.

Be free from any right or claim of any third party, including rights or claims based on industrial or other intellectual property and from any liens, charges and encumbrances and do not violate any right of a third party. If the Supplies violate any right of a third party, including but not limited to any right based on industrial or other intellectual property, such violation shall be deemed to constitute a significant lack of conformity and shall thus constitute breach of contract.

Unless the Parties agree otherwise, SUPPLIER's warranty shall be for a period of two (2) years from delivery on-site, however, no longer than three (3) years from the date of delivery to PURCHASER's address save for any claim(s) based on industrial or other intellectual property, which shall not be less than five (5) years from said handover.

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Supplier waives its right to object to a complaint about a defect because of lateness of its notification as long as the notification of the defect is made within the warranty period or within a reasonable time thereafter if the defect was not discovered until late within the warranty period.

Supplier warrants and agree that all warranty costs are covered, i.e. materials and labour costs.

Any and all parts, whether repaired or new, installed by either Supplier or PURCHASER during the above warranty period for the Supplies, shall be subject to individual warranty of twenty-four (24) months from the date of installation, except for wear and tear parts, or parts which have been exposed to improper use.

Supplier's warranty shall not be affected by Purchaser's examination of Supplier's computations, drawings, models etc. or by any proposals made by Purchaser or by any quality controls performed by Purchaser.

In case of any non-conformity Supplier shall be liable to initiate immediate remedial action (substitution and/or repair) at the place of use at his own expense in order to achieve conformity of the Supplies. If Purchaser, however, at his sole discretion accepts the non-conformity, Purchaser shall be entitled to a proportionate reduction of the purchase price.

Supplier is obliged to respond to inquiries within 24 hours and if an action plan is deemed necessary then Supplier must provide Purchaser with such within five (5) days.

In urgent cases or in circumstances where Supplier defaults in the remedy of defects, Purchaser may remedy the defect itself or arrange for its remedy by a qualified third-party at Supplier's reasonable expense.

If the non-conformity of the Supplies is significant BDK shall be entitled to (i) take the Supplies out of the hands of Supplier and complete the Supplies at Supplier's expense including involvement of a qualified third party, if required, or (ii) cancel the Order, fully or partly, and (iii) to claim full compensation, which shall include but not be limited to losses, costs, expenses etc. incurred as a result of the non-conformity.

Any non-conformity of more than 3% (three percent) of the delivered Supplies of any given production or delivery batch shall be deemed an epidemic lack of conformity. Within 1 (one) week from date of notification of an epidemic lack of conformity, Supplier shall at its own cost and expense inspect and/or replace all Supplies of the same production or delivery batch.

Purchaser shall notify Supplier of any non-conformity and/or violations of rights of a third party which Purchaser becomes aware of.

13. INTELLECTUAL PROPERTY RIGHTS (IPR)

Pre-existing IPR

Each Party shall remain the sole owner of its pre-existing IPR, however acquired or held and whether originated by or licensed to such Party, and shall have exclusive right to their use.

If the Supplies, fully or partly, embodies pre-existing IPR belonging to Supplier or to a third party, or would constitute a modification and/or an improvement of such IPR, Supplier grants, and/or undertakes to obtain from the third party holding the said IPR, for the benefit of Purchaser, a non-exclusive, fully paid-up, assignable and irrevocable license to use the pre-existing IPR including the right to grant sub-licenses. The license shall be for the rights of representation, transmission and reproduction, operation, and use of the IPR within the limits required for the use of the Purchaser's deliveries. The price of the Supplies includes the remuneration of Supplier and/or the third party owning the IPR for the grant of such license. Any outcome resulting from the said license(s) shall become and remain the sole property of Purchaser.

If Purchaser's or his customers' use of any Supplies provided under the Order is restricted, Supplier shall, at his own expense, procure for Purchaser and his customer the right to continue using the Supplies. If Supplier is unable to do so, he shall at his own expense either replace the infringing Supplies with non-infringing Supplies or modify the infringing Supplies so that they become non-infringing, provided that any replacement or modified Supplies contain the same or a fully equivalent functionality. If the use of any Supplies is restricted temporarily or permanently, Purchaser may return the Supplies to Supplier for full credit and cancel any remaining portion of the Order.

Supplier is obliged to verify title and inform Purchaser of any possible conflicting rights as it is essential, that the Supplies are delivered free of any third-party rights.

Purchaser's drawings, technical specifications, etc.

Any drawings, technical specifications and other documents, and any tools, equipment, forms and models, etc. including any and all IPR which belong to Purchaser, but which may be entrusted to Supplier solely for the purposes of fulfilling his obligations under the Order, shall remain the property of Purchaser and shall be returned to Purchaser upon request. The obligation to return includes any and all copies of the said material. Supplier shall use such material.

Supplier shall take all reasonable steps to protect Purchaser's IPR, materials and information from unauthorized use, disclosure or duplication. Supplier shall not disclose the existence of the Order to any third party, including any Supplies, prices, pictures, descriptions or samples without Purchaser's prior written consent.

Supplier shall at his own expense safeguard and duly insure Purchaser's property in Supplier's custody or control, and shall provide proof of insurance upon request.

Project developed IPR

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Any drawings, technical specifications and other documents, and any tools, equipment, forms and models, etc. including any and all pertaining IPR which have been developed or acquired by Supplier in anticipation of fulfilling the Supplies including subsequent production of spare parts shall become Purchaser's property upon Supplier's creation or if not yet in existence, upon coming into existence.

To the extent Supplier holds or acquires title to any such materials, Supplier declares and confirms that he holds that title as trustee and agent for Purchaser's sole benefit, and hereby grants Purchaser an exclusive, royalty-free, assignable, sub-licensable, irrevocable, worldwide license to fully exploit all rights Supplier may have arising from that title. Supplier hereby waives, on its behalf and as agent for Supplier's personnel, any moral rights in any such materials. Supplier will sign such documents and take such other actions as Purchaser may reasonably request to effect, perfect or enforce Purchaser's rights in such materials.

Any drawings, technical specifications and other documents, and any tools, forms etc. shall not be used for any other purpose than stipulated and shall not be handed over to any third party by Supplier without Purchaser's prior written consent. If Purchaser consents, Supplier shall be obligated to impose the same restrictions on the third party as Supplier has assumed under these terms and conditions. If Supplier's Supplies comprise parts, especially programs, which are subject of a patent, copyright or the like, the Supplier grants Purchaser and its final customer a perpetual, irrevocable non-exclusive right of use without additional charge.

IPR indemnity

Supplier shall defend, indemnify and hold harmless Purchaser from and against all claims resulting from any proceeding brought against Purchaser based on a claim that any Supplies or services, or their use infringe any patent or other IPR. Supplier shall pay any judgment awarded as a result of any such proceeding against Purchaser or Customer(s). If the use of any Supplies is prohibited, Supplier shall, at his own expense, either obtain for Purchaser and Customer(s) the right to continue using the Supplies or services, replace them with a non-infringing item, modify them so they become non-infringing, or remove such items and refund the purchase price and all transportation and/or installation costs.

14. QUALITY ASSURANCE, MANAGEMENT AND CONTROL, AUDIT, EXTERNAL SUPPORT, CHECK AND TESTING

Quality Assurance

Supplier is responsible for carrying out all required quality controls applicable for the delivery of the Supplies and for providing Purchaser with adequate quality certificates.

Records of all inspection and quality assurance work by Supplier shall be kept complete and available to Purchaser during the performance of the Order and for such longer period as may be specified in the Order.

Any Purchaser inspection and/or acceptance of any Supplies or part thereof shall not be deemed to alter or affect the obligations of Supplier or release him of the same nor shall the rights of Purchaser and/or his customers/end-user be affected thereby.

Quality management and control

Supplier is required to work in accordance with a zero (0) defect philosophy and to document and maintain a well-functioning quality management system. Supplier shall continuously take out samples and perform tests and measurements in accordance with Purchaser's written instructions and Supplier shall in such matters use single sample plan with AQL=1.0 unless otherwise specified.

Supplier shall identify all Supplies with a unique product number, which must be marked onto the Supplies or on the packaging material. Supplier must be able to provide quality documentation for the Supplies cf. above.

If Supplier discovers any non-conformity in respect of the Supplies, he shall notify Purchaser immediately. Supplier may only deliver or continue to deliver Supplies in conformity with the specified quality requirements.

Purchaser's Quality Department shall have the right to review product samples of the Supplies at Supplier's premises.

Only critical dimensions, as specified on Purchaser drawings/specifications, shall officially be recorded and documented by Supplier in a Dimensional Control report cf. below.

Purchaser is using DS/ISO 2859-1, Sampling Procedures and Tables for Inspection by Attributes. Dimensional control must only be recorded by Supplier on conditioned or normalized materials.

Dimensional Control report: Supplier shall send Dimensional Control reports to Purchaser, att. Quality Department, by e-mail (or fax), in accordance with a specific IT software, template and file-structure set up by Purchaser, allowing for an easy identification and traceability of each unique report. Supplier must, at all times store the dimensional control reports safely and kept readable.

Traceability: Supplier shall identify all Supplies with a unique product number, which must be marked onto the Supplies or on the packaging material. There must be traceability between the Supplies and Supplier quality documentation for the Supplies.

Storage of Documentation: Supplier shall store all relevant documentation regarding quality of the Supplies for at least 20 years from the time of delivery to Purchaser. The product documentation must include traceability to the Order.

Advice and Guidance: Any advice, guidance or participation in planning and implementation of quality management methods by Purchaser shall not relieve Supplier of his liabilities and responsibilities.

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Audit

Purchaser reserves the right to carry out quality audits at Supplier's premises subject to a minimum notification of 24 hours. Audit scope will involve Supplies to Purchaser, and Supplier shall make all relevant quality system documentation available to the audit team. Audit(s) will be carried out by Purchaser personnel, unless otherwise agreed. Supplier shall provide reasonable assistance at no cost to Purchaser.

Purchaser will issue an audit report and provide Supplier with a copy. Supplier shall be obliged to carry out necessary corrective action(s) to remedy any observed non-conformances, if any. Within 2 weeks after having received the audit report, Supplier shall inform Purchaser's quality department of Supplier's corrective actions.

External Support

If Supplier cannot demonstrate the proper route cause for a notified non-conformity, Purchaser shall be entitled to engage an independent laboratory, technical institution, university or a professional institute or person for the purpose of demonstrating said route cause subject to Supplier's expense and prior written approval, which shall not be withheld.

Check and Testing

Supplier's instructions regarding internal check and testing shall include a description of the applicable specifications and qualities and of the criteria for a satisfactory implementation of the manufacturing process and a detailed procedure of the factual check and testing including but not limited to testing equipment and registration methods. Supplier shall present evidence of his work instructions and, if required, supplement these with photos and/or samples. Said instructions, description(s), etc. shall allow for specific Purchaser requirements.

Supplier shall describe his plans in detail for random checks if Supplier does not perform check and testing of all the Supplies.

Supplier shall submit the aforesaid material to Purchaser. If the submitted material does not allow for specific Purchaser requirements and Supplier rejects to change the material accordingly, Purchaser shall be entitled to cancel the Order without incurring any liability.

Check and testing shall be performed as close as possible to the actual time of manufacturing process.

Upon reasonable notice to Supplier, Purchaser shall be entitled to inspect the Supplies or be present at the check and testing thereof at Supplier's premises or at those of his subcontractors, if any. Purchaser's presence shall not relieve Supplier of his liability for any non-conformity.

15. SPARE PARTS

Lifetime expectancy of Purchaser's operating deliveries including safety related parts is set at minimum 20 years (the "Lifetime").

Supplier warrants that in case of liquidation, involuntary or voluntary bankruptcy, restructure as well as termination of business Purchaser shall be given access to and obtain the rights to any and all drawings, technical specifications and other documents, and any tools and pertaining equipment, forms and models, etc. including any kind of pertaining intellectual property rights, if any, in order for Purchaser to procure or produce the parts himself or by means of a qualified third party.

The Supplier shall fulfil the following requirement in connection with parts and after-sales services for the Supplies:

Provide a specified list of recommended and critical parts in Excel-format defined by Purchaser comprising all information required therein.

Provide a recommended parts package containing all the mechanical, electrical and controls parts, which are necessary for the operation of the Supplies during the warranty period and beyond.

Warrants his ability to supply original parts OR to supply parts identical in form, fit and function to the original parts in order to keep Purchaser's deliveries in operation for the Lifetime period.

To avoid shortages of original spare parts during Lifetime Supplier must secure a minimum of two (2) specified original parts which may serve as replacements of each defined part of the Supplies.

If an original part becomes obsolete, Supplier shall secure at Purchaser's sole option that fully substitutable parts are available to Purchaser and/or provide the names of respective manufacturers' specifications and article numbers, drawings, etc. The Supplier shall act proactively and be responsible for providing replacement parts for obsolete parts and the Supplier shall with no less than 6 months' notice provide a "Last buy option" to Purchaser.

Supplier will refrain from sales of parts related to the Supplies directly to the Employer, unless the Parties agree otherwise.

Part prices shall be valid for minimum 1 (one) year and price increase, if any, shall be against Purchaser's prior written acceptance only. No minimum order or order fee shall apply.

Supplier to acknowledge that due to Purchaser are increasing its market shares and landing bigger orders, it's important to keep a high level of Customer Support. Therefore, Supplier must warrant to respond within 12 hours to any Purchaser spare parts request, aim to confirm orders within 12 hours and aim to deliver spare parts within 5 days (SW5D).

Ordered parts shall be timely and correctly delivered i.e. shipped within 5 (five) days from receipt of order, and all parts shall be individually labelled with a part number, i.e. minimum 98 % delivery on time.

If Purchaser submits any part(s) for repair, Purchaser expect the repaired part(s) to be returned within 5 days

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Supplier shall provide Purchaser with adequate information to enable Purchaser to procure third party components directly from third party supplier(s), if any. Supplier's overall warranty for the Supplies remains with Supplier, except for third party components purchased directly by Purchaser.

Supplier shall grant a warranty for a period of minimum 24 months from delivery of parts. If a warranty for the Supplies for a project exceeds 24 months, the warranty for the parts shall be extended accordingly.

Supplier to acknowledge that the repair price for any part is not to exceed 40 % of the price for a new part; if exceeding 40 % then Supplier is to inform Purchaser and agree on delivering new part.

Supplier must have single point of contact ("SPOC") available that has knowledge of the business and agreements and is ready to support the technical inquiries in connection with ordering spare parts.

Supplier must be able to comply with the definitions acc. to FEM 9.2.2.2 and provide information about

MTBF (Mean Time Between Failure)

MTTR (Mean Time To repair)

PLCC (Product Life Cycle Costs)

Supplier is to guarantee optimised stock for meeting short delivery times and support of customers.

Supplier is to comply with Purchaser requirement regarding shipping services, i.e.:

Fast, secure, correct and timely delivery of ordered spare parts.

For possible partial-deliveries from Supplier the costs for freight must be borne and paid for by Supplier.

16. TERMINATION

In addition to rights provided by law Purchaser is entitled to revoke or terminate any Order it has concluded with Supplier without any liability of Purchaser to Supplier and without any prejudice to any other rights of Purchaser if one or more of the following occurs:

- i. An application for insolvency proceedings or a comparably legal procedure has been filed against the assets of the Supplier; or Supplier's financial situation deteriorates substantially or threatens to do so, or Supplier is over-indebted or becomes insolvent or ceases its payments.
- ii. Supplier, whether directly or indirectly, is or will be subjected to ownership or control, whether fully or partly, of a competitor regarding any product groups of any BEUMER Group company.
- iii. Supplier's legal structure or ownership has or will change without Purchaser's prior written consent.
- iv. Supplier is in breach of the Order and rejects to remedy the breach or delays a required remedy unreasonably.
- v. Supplier is in material breach of the Order.
- vi. Supplier fails to make progress and endangers timely and proper delivery of the Supplies and does not take corrective actions as reasonably required by Purchaser.
- vii. Purchaser reasonably anticipates that Supplier will no longer be able to fulfil the Order, and Supplier does not, upon receipt of Purchaser's notification, convince Purchaser that Supplier is both willing and capable of fulfilling the Order.
- viii. Purchaser so wishes for convenience subject to giving Supplier a reasonable notice.
- ix. Purchaser's employment under his main contract is terminated in whole or in part, for whatever reason, prior to Supplier having fully performed his obligations under the Order, Purchaser may at any time thereafter by notice to Supplier immediately terminate Supplier's employment in whole or in part under the Order and thereupon Supplier shall with due expedition remove his staff and workmen and his equipment from the Site.
- x. xi Purchaser's business is disrupted or discontinued, whether fully or partly, temporarily or permanently, by reason of a cause beyond Purchaser's control, or if the Supplies ordered by Purchaser for Purchaser's fulfilment of a main contract, and any such order is cancelled or substantially reduced, Purchaser shall have the option of cancelling undelivered Supplies in whole or in part, or suspending further shipments. A time equivalent to Purchaser's suspension will be granted to Supplier when Purchaser requests Supplier to resume the suspended shipments.

If Purchaser has exercised a right to terminate any given Order Purchaser shall be entitled to also immediate cancel any other Order(s) with Supplier, if any, if said Order(s) in any way relate to the Supplies or if Purchaser may reasonably anticipate that Supplier will not be able to fulfil said Order(s) to the satisfaction of Purchaser. If Purchaser waives his right to cancel any such Order(s), said Order(s) shall continue unaffected by the termination of the Order in question.

Supplier waives his rights, if any, to claim for compensation on the basis of a notified or immediate termination of the Order as per above. If Purchaser terminates the Order due to Supplier's default, Supplier shall compensate Purchaser for losses and damages incurred as a consequence of Supplier's default and Purchaser shall be entitled to all remedies as provided herein and/or by law.

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17. FORCE MAJEURE & COVID-19

"Force Majeure" means the occurrence of either of the following events, provided the event(s) is unforeseeable and beyond the reasonable control of the affected Party, and results in the failure or delay by the affected Party of his performance under the Order, whether fully or partly: flood, fire, earthquake, volcanic eruption, war (whether declared or not), terrorism, governmental restriction or regulation, embargo, any act of God.

Neither Party shall be liable for any delay in performing or for failure to perform its obligations if the delay or failure results from an event of "Force Majeure", provided that the affected Party serves notice to the other Party within five (5) calendar days from occurrence of the event of Force Majeure.

The affected Party will provide continuous updates on status and efforts to resolve the delay and may ultimately be entitled to an extension of time only, and no monetary compensation for the delay, if the unaffected Party may so accept. Each Party shall use its reasonable endeavours to minimise the effects of any event of Force Majeure.

If an event of Force Majeure continues for more than six (6) months either Party shall have the right to terminate the Order forthwith by written notice to the other Party without incurring liability to the other Party.

The Parties have discussed the general ongoing pandemic COVID-19 (also referred to as e.g. SARS-CoV-2; Corona Virus) and the unfortunate disruption of business it has already caused worldwide, including the continued disruption it may still have for an unknown period of time.

More specifically the Parties have discussed potential implications and impacts which COVID-19 may cause to Purchaser's and thus to the Supplier's Project execution and delivery schedules and the impossibility for Purchaser to duly consider and take the same into account under this Contract. Consequently, the Supplier fully understands and accepts that Purchaser is granted the right to suspend Project execution and/or fully or partly terminate the Contract

as a consequence of any COVID-19 impact resulting from a Client/End Customer decision(s) and/or a governmental or other authoritative restriction(s), decision(s), caution(s) or mere guidance; and/or

for Purchaser's convenience, if such suspension and/or termination is a consequence of any COVID-19 impact on Purchaser and thus may be required for Purchaser's Project execution.

The Supplier further fully understands and accepts it will not hold Purchaser responsible for any cost, losses and/or damages which may be incurred by the Supplier and/or by its sub-supplier(s), if any, as a result of a suspension and/or termination cf. i and/or ii above; and the Supplier shall not be entitled to any compensation save in the event of a termination of the entire Contract, in which case the Supplier will be entitled to be paid for work it has executed up until receipt of Purchaser's notice to terminate taking into account its deliveries in due conformity with the time schedule.

Upon the expiry of a suspension of the Project execution of the Supplier's delivery and/or installation work and subject to having received reasonable notice from Purchaser, the Supplier will resume its Project execution in accordance with the originally agreed time schedule subject to an extension of time equivalent to the suspension period.

The Parties will cooperate and align with one another and invest reasonable efforts in minimizing cost and mitigating other adverse effects.

18. LAW AND DISPUTE RESOLUTION

The Order and any obligations arising out of or in connection herewith shall in all respects be governed, construed, enforced and interpreted in accordance with the laws of Denmark to the exclusion of the United Nations Convention on Contracts for the International Sale of Goods ("CISG") which shall not apply and without regard to any conflict of law principles. The governing language shall be English.

The Parties agree to amicably solve any dispute arising out of or in connection with the Order. If an amicable solution cannot be found, either Party may submit the dispute for mediation arranged by The Danish Institute of Arbitration in accordance with its rules on mediation in force at the time when such proceedings are commenced. Mediation shall not affect the right of a Party to initiate arbitration proceedings in accordance with the provisions below or to take any other legal steps in relation to the dispute.

If mediation proceedings are terminated without a binding settlement, the dispute shall be subject to arbitration arranged by The Danish Institute of Arbitration in accordance with its rules of arbitration in force at the time when such proceedings are commenced.

The venue for arbitration shall be Copenhagen and the proceedings shall be conducted in the English language. The arbitral award shall be final and conclusive and binding on the parties.

19. MISCELLANEOUS

Publicity

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Supplier is not permitted without the prior written consent of Purchaser's Head of Marketing to use Purchaser's name or to publish any information regarding its business relations with Purchaser in regard to tenders, projects, Orders and/or customers for marketing purposes or as a reference.

Set-Off

Notwithstanding any provision of these Conditions or of the Order to the contrary, Purchaser shall be entitled to set off any payments due by Purchaser to Supplier against any sum(s) which Supplier may be liable to compensate Purchaser.

Severability

If one or more provisions of these Conditions are or may become invalid or illegal, such provision(s) shall continue in effect to the extent it remains valid. The validity, legality, and enforceability of the remaining Conditions shall not in any manner be affected or impaired. The invalidity or unenforceability of any term of the Order will not adversely affect the validity or enforceability of the remaining terms. The Parties will agree on amending any invalid provision(s) for the purpose of reflecting a valid and enforceable content in alignment with the remaining Conditions.