

**1 DEFINITIONS AND APPLICABILITY**

- 1.1 General Purchase Conditions: these Zitron general conditions of purchase.
- 1.2 Zitron: the private company with limited liability Zitron Nederland B.V., with its registered office in Hengelo, and companies affiliated with it.
- 1.3 Supplier: any party which enters into an Agreement with Zitron, or any party with which Zitron is holding negotiations with a view to entering into an Agreement;
- 1.4 Products and/or Services: goods and/or services which are to be purchased by Zitron from the Supplier under the Agreement, or which are being or have been supplied to Zitron by the Supplier and/or are held in stock for Zitron;
- 1.5 Agreement: any purchase order which Zitron places with the Supplier, or any agreement which Zitron enters into with the Supplier for the manufacture of Products for, and/or the sale and supply of Products and/or Services to, Zitron, including these General Purchase Conditions, as well as all legal acts related thereto.

**2 GENERAL**

- 2.1 The General Purchase Conditions apply to all Agreements, requests, quotations, offers, orders and all legal acts by or to the Supplier relating thereto, and comprise part thereof.
- 2.2 The applicability of the Supplier's conditions (including its general conditions) and/or other conditions (including sectoral conditions) are rejected expressly by Zitron, unless Zitron has explicitly agreed hereto in writing. In the event of contrariety between the General Purchase Conditions and the conditions applied by the Supplier (provided these are accepted by Zitron), the General Purchase Conditions will prevail.
- 2.3 Once contracted on the basis of the General Purchase Conditions, the Supplier accepts the applicability of the General Purchase Conditions to later agreements between the Supplier and Zitron.
- 2.4 Zitron has the right to amend the General Purchase Conditions unilaterally. In the event of such amendment, it will take effect between Zitron and the Supplier in addition to any Agreements already in force, and will do so once the Supplier has been informed thereof in writing. In case of a material change to the General Purchase Conditions by Zitron, the Supplier has the right to immediately terminate the Agreement within 14 days of the aforementioned notification by means of a registered letter, except where, in such a case,

Zitron informs the Supplier within 14 days of receipt of the aforementioned letter of its intention to proceed with the Agreement unchanged, i.e. by invoking the applicability of the unchanged General Purchase Conditions. In that case, the Agreement is deemed not to have been terminated, and the amended General Purchase Conditions will not apply to the Agreement.

- 2.5 All Zitron purchase orders must be confirmed by the Supplier in writing within fourteen (14) days of the order date.

**3 FORMATION OF THE AGREEMENT**

- 3.1 The Agreement is only formed if and insofar as Zitron has expressly accepted an offer in writing, or has sent written confirmation to the Supplier to this effect.
- 3.2 All costs involved in drawing up a quotation or offer are at the Supplier's expense.
- 3.3 Where reference is made in any order directed towards the Supplier to technical, safety, environmental or other regulations which Zitron has not appended to the order, the Supplier is considered to be familiar with the content of the regulations in question, unless the Supplier promptly states the opposite in writing.

**4 PRICE, PAYMENT AND SECURITY IN CASE OF ADVANCE PAYMENT**

- 4.1 All prices are fixed and include Delivery Duty Paid delivery terms, in accordance with the most recent version of Incoterms, and include the costs of (proper) packaging and all other costs which the Supplier incurs in relation to the performance of its obligations under the Agreement.
- 4.2 To the extent to which the Supplier meets its contractual obligations, Zitron will pay its invoices within 60 days of the invoice date, unless otherwise agreed. Zitron is obliged to pay invoices only when these have been fully and correctly specified, including the relevant and correct reference or order numbers, as well as the date of Zitron's order. Zitron will not accept incorrectly specified invoices for processing.
- 4.3 Payment by Zitron in no way implies distance from any right under the Agreement, the General Purchase Conditions or the law. Payment may not be interpreted as any acknowledgment on Zitron's part of the soundness of the Products and/or Services supplied, and does not release the Supplier from any liability in the matter.

- 4.4 Payment discharges Zitron from all obligations in relation to the Agreement and may not be considered by the Supplier to be payment for any other claims the Supplier purports to have in respect of Zitron, including those for interest and/or extrajudicial costs.
- 4.5 The Supplier will not increase the prices agreed for the term of the Agreement. Should the Supplier be obliged to increase the prices due to statutory provisions, Zitron has the right to terminate the Agreement with immediate effect.
- 4.6 Should Zitron make any payment in relation to the Agreement in advance (either partially or fully), the Supplier is obliged to provide Zitron with security on demand, such as a pledge on the Supplier's assets.

## **5 DELIVERY AND PACKAGING**

- 5.1 Delivery must take place at a time and place specified by Zitron.
- 5.2 The delivery period commences at the moment that the Agreement is formed and its deadline is final. Exceeding of the delivery period entails that the Supplier is immediately in default, without prior notice of default being required. Should this occur, Zitron is entitled to dissolve the Agreement and/or demand compensation.
- 5.3 The Supplier is obliged to inform Zitron immediately in writing of any delays or expected delays in the implementation of the Agreement, as well as the circumstances causing the delay. Such a notification does not release the Supplier from its obligation to deliver within the delivery period.
- 5.4 The Supplier is not entitled to make partial deliveries, unless agreed otherwise in writing. Should the implementation of partial deliveries have been agreed, delivery will come in the context of the General Purchase Conditions to mean each partial delivery.
- 5.5 Reception of the Product at the delivery location determines whether delivery has been completed within the delivery period. Delivery is only considered to have been completed if, on the basis of the Agreement, full delivery has taken place and Zitron has signed for receipt of the delivery. The aforementioned signature does not alter the fact that the delivered Products may still be rejected (in accordance with article 6). Aside from proof of the time of delivery, the Supplier may derive no rights whatsoever from the signature referred to in the first sentence of this paragraph. This signature does not preclude

Zitron from exercising its rights in respect of (among other things) any failure on the Supplier's part.

- 5.6 The Supplier is not authorised to suspend its obligations to supply should Zitron fail to meet one or more of its obligations.
- 5.7 The Products and/or Services supplied have a warranty period of at least 2 years, unless agreed otherwise in writing.
- 5.8 The Supplier guarantees that the Products and their packaging comply with the applicable legislation and that use thereof does not carry any particular risks to personal health and/or safety. The Supplier guarantees that the Products (including their packaging) and/or Services supplied are free of defects for the entire duration of the warranty period as provided in article 5.7 of these General Purchase Conditions and, more specifically, demonstrate all features agreed.
- 5.9 Zitron is obliged to provide the Supplier with a proper specification of the Products supplied (and their parts) on demand. The Supplier is not permitted to change a specification unilaterally, without Zitron's prior written consent.
- 5.10 The Supplier is obliged to collect any packaging intended for multiple uses on Zitron's demand. The Supplier must keep reliable records of the packaging in use, from which the obligations of the parties must be apparent at all times. Should contrariety exist between the Supplier's records regarding packaging on the one hand, and those of Zitron on the other, then Zitron's records take precedence.

## **6 INSPECTION AND CLAIMS**

- 6.1 Zitron is entitled at all times to inspect the Products delivered or as yet to be delivered (or have a third party do so), or to investigate whether Services supplied have been implemented in accordance with the Agreement and the General Purchase Conditions. The Supplier is obliged to grant Zitron and its clients or authorised representatives free access to the Supplier's location(s), with a view to the implementation (whether by itself or a third party) of inspections (including quality inspections) or tests, or to attendance at such implementation or tests.
- 6.2 The costs incurred by Zitron and its clients or authorised representatives in relation to inspection of or attendance at tests, as a consequence of Products and/or Services which

fail to comply with the specifications under the Agreement, are charged to the Supplier.

- 6.3 In case of rejection, Zitron will inform the Supplier thereof. Zitron will store any rejected Products at the Supplier's risk and expense (or have a third party do so). Should the Supplier fail to recover these Products within a period of 14 days after Zitron has notified the Supplier that the Products supplied have been rejected, Zitron is entitled to store, sell or destroy these Products without the Supplier's approval (or have a third party do so), at the Supplier's risk and expense.
- 6.3 Zitron is never bound to any term set by the Supplier within which notification by Zitron concerning rejected Products and/or Services must take place according to the Supplier, or within which Zitron must reclaim such Products and/or Services.

## **7 TRANSFER TO THIRD PARTIES**

- 7.1 The Supplier will not transfer its rights and/or obligations under the Agreement to third parties without Zitron's prior written consent, including (but not restricted to) the outsourcing of the Agreement (or part thereof).
- 7.2 The Supplier is fully responsible and liable for the acts of third parties (including auxiliary persons) which it deploys in the implementation of the Agreement.

## **8 TRANSFER OF RISK AND OWNERSHIP**

- 8.1 The risk and ownership of the Products is transferred to Zitron at the point of delivery thereof, unless the Products are rejected by Zitron either during or after the delivery (in accordance with article 6). The Supplier manages and insures the Products with due care at all times.
- 8.2 The Supplier guarantees the acquisition of the Product's unencumbered ownership.
- 8.3 The Supplier waives all rights and entitlements vested in it on the basis of the rights of retention and/or recovery.
- 8.4 The Supplier assumes responsibility for adequate transit damage insurance.

## **9 WARRANTY**

- 9.1 The supplier guarantees that the Products and/or Services and any documentation pertaining thereto comply with the specifications agreed, of being of good quality, new, free of defects and produced to the highest of design standards. At

minimum, the Supplier will operate a quality assurance system, in accordance with or equivalent to ISO 9000 quality standards. Should the parties not have agreed to any specific requirements, the Products and/or Services will comply with the specifications and requirements set for these Products and/or Services, or which are customary, in the sector. The Supplier warrants that the Products and/or Services and the documentation pertaining thereto meet all of the requirements set by the government in their country of production, among other things in respect of quality, health, safety, the environment and advertising.

- 9.2 The Supplier guarantees that the Products and/or Services are suitable for their intended purpose and may be used and processed therefor.
- 9.3 All defective Products supplied and/or Services provided – with the exception of defects caused by normal wear-and-tear – will (as Zitron sees fit and should it so demand) be repaired and/or replaced immediately by, or at the expense of, the Supplier. This does not release the Supplier from its obligations under the Agreement.
- 9.4 Should, in Zitron's opinion, repair or replacement not permit any delay due to the safety of persons and property, then Zitron is entitled to carry out repair or replacement (or have a third party do so) prior to informing the Supplier thereof.
- 9.5 In the event of repair or replacement by the Supplier, the warranty period referred to in article 5.7 of these General Purchase Conditions recommences from the moment of replacement or completion of the repair.
- 9.6 Zitron is entitled to return rejected Products and/or documentation at the Supplier's expense, or to retain possession thereof at the Supplier's risk and expense. Should the Products and/or documentation be stored by Zitron, the Supplier is obliged to collect these from Zitron within five days of having been requested by Zitron to do so.

## **10 LIABILITY**

- 10.1 Each failure on the part of the Supplier to perform its obligations gives Zitron the right to oblige the Supplier to perform such obligations or full or partial reversal of the failure and/or the consequences thereof, this at the Supplier's risk and expense.

10.2 Zitron has the right to choose the manner in which to remedy a failure. Zitron expressly reserves the right to compensation, and in particular, the right to compensation instead of remedy.

10.3 The Supplier is liable for all damage suffered by Zitron and/or later purchasers or users of Products and/or Services (whether in a processed state or not) as a consequence of the acts or omissions of the Supplier, or its employees, or third parties engaged by it. The Supplier's liability relates to both direct and indirect damage, and includes in any case trading, consequential and business interruption loss, lost income and profit, loss of customers and damage to its image and/or goodwill.

10.4 The Supplier indemnifies Zitron against all third-party claims relating to the Agreement entered into between the Supplier and Zitron, including – but not restricted to – the Products and/or Services supplied by the Supplier to Zitron.

10.5 The Supplier must adequately insure itself for the damage referred to in article 10.3. This duty to insure also covers any auxiliary materials involved in any way in the implementation of the Agreement. The Supplier will ensure that its insurance policies include the provision that any payments by the insurance company will be made directly to those who have actually suffered the damage. The Supplier will allow Zitron to inspect the policies in question should it so request.

## **11 INTELLECTUAL PROPERTY RIGHTS**

11.1 The Supplier grants Zitron a non-exclusive, perpetual, irrevocable, global and transferable right of use in respect of potential intellectual property rights in relation to Products supplied by the Supplier. Among other things, the right of use includes the right to provide an identical right of use to purchasers (and potential purchasers), or to other third parties with whom Zitron maintains relations in connection with the conduct of its business.

11.2 The Supplier guarantees that the use (including selling on) of the Products it has supplied or the Services it has provided will not infringe the intellectual property or other rights (relating to property or otherwise) of third parties.

11.3 The Supplier indemnifies Zitron against third-party claims arising from any violation of the rights referred to in article 12.2 of the General Purchase Conditions, and the Supplier will

compensate Zitron for any damage resulting therefrom.

11.4 Insofar as Zitron provides auxiliary materials to the Supplier (including drawings) in respect of which Zitron has intellectual property rights, the Supplier acknowledges that Zitron is and will always remain the owner of such materials and the Supplier will not acquire any intellectual property rights or ownership under title in respect hereof. The Supplier will administer and maintain in good condition all of the auxiliary materials referred to in this paragraph at its own risk and expense. It will not use these for third parties, or allow such third parties to use them, unless Zitron has provided its prior written authorisation for such use.

11.5 Should, in the context of the Agreement, the Supplier develop Products for Zitron, then any intellectual property rights (or claims thereto) which may potentially be claimed thereto are vested in Zitron. Any compensation for this is deemed to be included in the agreed price of the Products and/or Services. Where necessary, the Supplier will render every assistance in the formation or transfer to Zitron of these rights.

## **12 CONFIDENTIALITY**

12.1 The Supplier is obliged to observe confidentiality in respect of everything it comes to know about Zitron in the context of the Agreement, even if such information has not specifically been designated confidential, and to demand the same of staff members and third parties involved in any way in the context of the Agreement's implementation. The Supplier is prohibited from deploying such information for its own use or that of third parties.

12.2 Without the express written consent of Zitron, the Supplier will not provide any third party with any information concerning its relationship with Zitron.

## **13 DISSOLUTION AND TERMINATION**

13.1 Zitron is authorised to fully or partially suspend implementation of any agreements between the parties as it sees fit, including the Agreement, or to fully or partially terminate or dissolve these agreements, including the Agreement, by means of a written statement, without judicial intervention (and with immediate effect), without Zitron being obliged to pay any compensation, while retaining its rights to receive payment of

the costs, compensation and interest to which it is entitled, if the event of:

- (a) a failure on the Supplier's part in the performance of one or more of its obligations under the Agreement, or of agreements related thereto;
- (b) suspension of payment or a liquidation order (or an application for either of these) on the part of the Supplier;
- (c) a guardianship or administration order directed at the Supplier;
- (d) sale or termination of the Supplier's business;
- (e) withdrawal of the licences of the Supplier necessary for the implementation of the Agreement;
- (f) attachment of an important part of the Supplier's business assets;
- (g) a garnishee order against Zitron at the Supplier's expense.

13.2 All claims in respect of the Supplier which Zitron may have or acquire in the cases set out above in article 13.1 will be immediately due and payable in full.

13.3 Zitron reserves the right at all times to terminate the Agreement – without providing any reason - with due observance of a reasonable notice period of no more than four (4) months.

#### **14 OFFSETTING**

14.1 Zitron is authorised to offset amounts which it owes for any reason whatsoever to the Supplier or to another company belonging to the same group as the Supplier, against amounts which Zitron is owed by the Supplier or another company belonging to the same group as the Supplier.

#### **15 CONCLUDING PROVISIONS**

15.1 Should one or more of the provisions of these General Purchase Conditions prove to be invalid, or be suspended by a court, the other provisions will remain in full force.

15.2 Dutch law applies exclusively to the Agreement, to the exclusion of the Vienna Convention on Contracts for the International Sale of Goods.

15.3 All disputes between the parties arising from or connected with any Agreement and/or these General Purchase Conditions will, in the first instance, be settled by the judge (or interim relief judge) of Overijssel District Court, at its hearing location in Almelo. Should the aforementioned judge not be competent due to reasons of a mandatory nature, then disputes between the parties may only be settled by

means of arbitration, in accordance with the regulations of the International Chamber of Commerce (ICC), at its arbitration location in The Hague.

15.4 The Dutch language version of the General Purchase Conditions will always prevail over any version in another language.