

General Purchasing Conditions

Terms and conditions of purchase for the purchase transactions of Hunter Douglas Europe B.V.

1. DEFINITIONS

In these General Terms and Conditions of Purchase, the terms and expression used below are defined as follows:

HDE: HUNTER DOUGLAS EUROPE B.V., with corporate domicile at Piekstraat 2, 3071 EL Rotterdam, client, user of these terms and conditions of purchase; Supplier: the other party of HDE;

Contract: the agreements (including order) laid down in writing between HDE and the Supplier concerning the delivery of Goods or the delivery of services;

Delivery: placing one or more goods in the possession or under the control of HDE and the possible installation/assembly of these goods;

Goods: the goods or services to be delivered;

Parties: HDE and the Supplier.

2. APPLICABILITY

- a. These Terms and Conditions of Purchase shall apply to all invitations and offers concerning the Delivery of Goods by the Supplier to HDE. The applicability of any general terms and conditions (of delivery/sale) of the Supplier shall be ruled out on our part and our Contract shall be governed exclusively by our General Terms and Conditions of Purchase.
- b. Deviations from these General Terms and Conditions of Purchase are accepted only if expressly in writing on the order form of the Contract.

3. CHANGES, CANCELLATION

- a. Up to the moment that the Supplier has fulfilled all its obligations under the Contract, HDE shall be entitled to change the Contract in writing, among other things with respect to:
 - the quantity of Goods to be delivered;
 - the quality of the Goods to be delivered;
 - the time of Delivery.
 If in the Supplier's reasonable opinion, a change will have consequences for the fixed price

and/or Delivery time agreed, it shall be obligated, before effecting the change, to inform HDE of this in writing as soon as possible, but no later than within 5 business days after notification of the required change. Changes as a result of such a written message from the Supplier shall only be agreed in writing and shall subsequently become an integral part of the Contract. In the absence of a prompt message from the Supplier, the changes notified in writing by HDE shall be deemed to be accepted after 5 business days have passed.

- b. As long as the Supplier has not yet completely fulfilled its obligations under this Contract, HDE shall be entitled to cancel the Contract completely by registered letter. In such a case, HDE shall owe the Supplier the costs of materials, labor, overhead and profit margin (the last two jointly not to exceed a total of 10 % of the aforementioned costs), incurred in performing the Contract up to the moment of cancellation by the Supplier, but never more than the agreed price.

4. ASSIGNMENT OF OBLIGATIONS

- a. The Supplier may only assign an obligation under the Contract to a third party with express prior written permission from HDE. Reasonable conditions may be attached to such permission.
- b. In cases of assignment to a third party of (part of) the obligations under the Contract, the Supplier shall be obligated to inform HDE of the security provided for the payment of BTW (Dutch sales tax), Income Tax and Social Insurance Premiums, which are prescribed for employers by law.

5. PRICE AND PRICE REVIEW

- a. The prices are exclusive of BTW and cover all costs in connection with the Supplier's performance of its obligations.
- b. The Supplier shall not be entitled to change the agreed price, except under the terms of Clause 3.

6. INVOICING AND PAYMENT

- a.1. Payment of the invoice, including BTW, shall be made by HDE within 30 days of Delivery and approval of the Goods and any installation/assembly of them, and after receipt of the invoice, with deduction of 2% of the invoiced amount.
- a.2. HDE shall be entitled to postpone payment until 60 days after the time referred to in Clause 6a.1, with deduction of 1% of the invoiced amount and until 90 days against payment of the net invoiced amount.
- a.3. Deviating payment arrangements shall only be binding on HDE if expressly agreed in writing.
- b. HDE shall be entitled to suspend payment if it discovers a defect in the Goods and/or their installation/assembly, if any.
- c. HDE shall be entitled to deduct the amounts owed by the Supplier to HDE from the amount of the invoice.
- d. Payment by HDE shall not imply the waiver of any right.
- e. The Supplier shall not be permitted to assign claims against HDE to third parties without prior express written permission from HDE.

7. DELIVERY TIME

- a. The agreed time of Delivery is of the essence. Failing prompt delivery, the Supplier shall be in default without further notice.
- b. If Supplier risks failure to meet Delivery on time, the Supplier shall notify HDE of this immediately in writing. This is without prejudice to the possible consequences of such lateness under the Contract or statutory provisions.

8. DELIVERY

- a. Delivery shall take place at the agreed place and time, in accordance with the agreed Incoterms.
- b. Only the quantities and weights determined by HDE shall be binding on HDE.

- c. HDE shall have the right to postpone Delivery. In that case, the Supplier shall store the Goods in sound packaging, separately and in a recognizable manner, and preserve and insure them.
- d. (Partial) Deliveries must be reported to HDE promptly in advance. They must also be accompanied by itemized packing lists, mentioning all particulars. Invoices must also be sent immediately at the time of Deliveries. HDE shall be entitled not to accept Goods if their Delivery is not properly reported, or if they reach HDE without proper packing lists and/or invoices; in such cases HDE may return those Goods to the Supplier at the Supplier's expense and risk.

9. BREACH OF CONTRACT

- a. In the event of a breach of contract by the Supplier, the latter shall be in default without further notice.
- b. Without prejudice to the right to claim damages and the other statutory rights arising from a breach of contract, HDE shall be entitled to collect an immediately due and payable penalty of €250 for each occurrence and/or day that the default continues.
- c. The statutory interest on amounts paid in advance by HDE shall be set off against the invoices to be paid over the period of the default.
- d. In the event of impossibility to perform the Contract, the obligations of the Parties shall be suspended for 1 week. If the cause of the absence of impossibility and therefore the failure to perform continues beyond that time, HDE shall be entitled to cancel the Contract without notice of default and without having to claim this at law. In such a situation, the Parties shall not hold each other liable for damages.
- e. The Parties may only rely on impossibility to perform against each other if the party in question informs the other party of such reliance in writing as quickly as possible, but no later than within 5 business

days of the occurrence of the impossibility to perform, submitting the necessary proof.

10. GUARANTEE

- a. The Supplier guarantees that the Goods and any installation/assembly thereof are in accordance with the terms agreed in the Contract.
- b. The Supplier guarantees that the Goods are absolutely complete and ready for use. The Supplier shall ensure that, among other things, all parts, auxiliary materials, accessories, tools, spare parts, instructions for use and instruction manuals (in the Dutch or English language) which are necessary for achieving the object indicated by HDE in writing are also delivered, even if they have not been mentioned by name.
- c. The Supplier guarantees the availability of spare parts for a period of at least 10 years, unless otherwise agreed in writing.
- d. The Supplier guarantees that the contents of the delivery comply with all statutory provisions, including those pertaining to quality, environment, safety and health.
- e. If HDE discovers that the contents of the delivery do not (wholly or in part) comply with that which the Supplier has guaranteed under items a. through c. of this Clause, the Supplier shall be in default, unless the Supplier can prove that it is not to blame for the shortcoming.

11. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS

- a. The supplier warrants the quiet enjoyment of the Goods delivered to HDE. It shall defend, indemnify and hold harmless HDE against any financial consequences of claims of third parties due to infringement of their intellectual and/or industrial property rights.
- b. The Supplier shall be entitled to use information provided by HDE, but only in connection with the Contract. This information is and shall remain the property of HDE. The terms of any non-disclosure, confidentiality

or similar such agreement that has been executed between the Supplier and its affiliates and HDE in connection with the Contract shall be automatically incorporated into the Contract, unless the Parties expressly request otherwise in writing.

- c. The Supplier warrants that all drawings, photographs and text made in connection of the Contract will be marked with "Copyright" Hunter Douglas Europe BV.

12. DOCUMENTATION

- a. The Supplier shall be obligated to provide HDE with the corresponding documentation prior to or simultaneously with the Delivery.
- b. HDE shall be at liberty to use this documentation, which includes reproduction for its own use.
- c. For Goods imported into the EU, the Supplier must declare that the Goods delivered satisfy the applicable conditions of origin and that the validity of the certificates used and to be used has been confirmed by the competent authorities.

13. LIABILITY

- a. The Supplier shall be liable for any damage that might occur in connection with the performance of the obligations under the Contract.
- b. The Supplier indemnifies, defends and holds harmless HDE against any financial consequences of claims of third parties in connection with the performance of its obligations under the Contract.
- c. HDE shall be entitled to require the Supplier to take out insurance to cover the risks. The Supplier shall be obligated immediately upon the request of HDE to allow it to examine the relevant policy.
- d. The risks of transporting the Goods to be delivered shall be covered by HDE. If a Delivery concerns goods belonging to HDE which are to be processed or repaired, the coverage shall also apply to the return shipment of the Goods.

14. TRANSFER OF RISK AND OWNERSHIP

- a. The ownership of the Goods shall pass to HDE at the moment the Goods are actually brought under the control of HDE, have been approved by HDE and, if necessary, assembled or installed, irrespective of any stipulation to the contrary.
- b. In the event that HDE furnishes materials to the Supplier, such as raw materials, auxiliary materials, drawings, specifications and software for the purpose of performing its obligations, these materials shall remain the property of HDE. The Supplier shall keep these separate from objects belonging to it or to third parties. The Supplier shall mark them as property of HDE.
- c. The moment that materials such as raw materials, auxiliary materials, tools, drawings, specifications and software, of HDE have been processed into the Supplier's Goods, a new good shall have been created which is the property of HDE. This shall apply, notwithstanding Clause 14.d.
- d. The risk, (except for the transportation risk referred to in Clause 13.d) of the Goods shall pass to HDE at the moment that the Delivery and subsequent approval of the Goods in accordance with Clause 16 of these Terms and Conditions have taken place.

15. SECRECY AND PROHIBITION ON DISCLOSURE

- a. The Supplier shall keep the existence, the nature and the contents of the Contract, as well as other business information, secret and not disclose anything about it without prior written permission from HDE.
- b. In the event of violation of the stipulations of the preceding paragraph, the Supplier shall owe HDE an immediately due and payable penalty of €450 for each violation and/or day or part of a day on which the violation continues.

16. INSPECTION

- a. HDE shall be entitled at any time to inspect all Goods, or have them inspected, during their production, processing and storage as well as after delivery.
- b. Immediately upon request, the Supplier shall provide access to HDE or its agent to the site of production, processing or storage. The supplier shall render its cooperation in the inspection free of charge.
- c. If an inspection within the meaning of this Clause cannot take place at the intended time, or if an inspection must be repeated, the costs incurred shall be payable by the Supplier.
- d. In the event of rejection of the Goods delivered, the Supplier shall see to it that those Goods are repaired or replaced within 5 business days. If the supplier fails to fulfill this obligation within the period stipulated in this Clause, HDE shall be entitled to purchase the required Goods from a third party, or to take measures (or have them taken) at the Supplier's expense and risk, without prejudice to its right to claim compensation of the costs, damage and interest.
- e. If the Supplier does not collect the rejected Goods within 5 business days, HDE shall be entitled to return the Goods to the Supplier at the latter's expense and risk.
- f. Contrary in part to what is stipulated in this Clause, the Goods intended for resale shall not be accepted until they have been received and inspected at the place of use. Therefore, in these cases, inspection by HDE before or after Delivery to its address shall not be binding on HDE.

17. PACKAGING

- a. Goods intended for resale must be packaged in accordance with the applicable instructions of HDE, and provided with the prescribed stickers.

- b. HDE shall be entitled at any time to return the (transportation) packaging materials at the Supplier's expense and risk.
- c. The Supplier shall be responsible for the processing/destruction of (transportation) packaging materials. If packaging materials are processed or destroyed at the Supplier's request, this shall always be at the expense and risk of the Supplier.
- d. All Goods, or parts thereof, which are susceptible to oxidation must be provided with a protective layer, so that they will be resistant to oxidation. Movable parts and suchlike must be properly fastened, or otherwise protected against the dangers of their transportation. Instructions (in Dutch) must accompany such Goods, stating how to remove the protective layer or how the parts that are fastened or otherwise protected must be unpacked, removed and attached to the whole of which they are a part.

18. CANCELLATION

- a. In the event of non-performance by the Supplier of its obligations under the Contract or under other contracts arising from it, as well as under circumstances including: its bankruptcy, insolvency, moratorium on payment, stopping of its business, revocation of any permits, attachment of (part of) its business property or of Goods intended for the performance of the Contract, liquidation of the company, takeover of (part of) the company or any comparable circumstances of the Supplier's company, it shall be in default by operation of law.
- b. Without prejudice to any other rights, HDE shall be entitled to cancel the Contract wholly or in part if the Supplier or one of its subordinates or agents offers or provides, now or in the future, any benefit to any person who is part of HDE's company, or to one of its subordinates or agents.

19. ORDER, SAFETY AND ENVIRONMENT

The Supplier and its employees, as well as third parties engaged by it shall obey statutory safety, health and environmental regulations. The Supplier and its employees shall comply with any company rules and regulations of HDE in the area of safety, health and environment. The Supplier and its employees, as well as any third parties engaged by it, shall be deemed to be familiar with these rules prior to the commencement of the work.

20. DISPUTES

- a. Disputes between the Parties, including those only considered to be such by one party, shall be resolved amicably to the extent possible.
- b. If the Parties are unable to reach a solution, the disputes shall be settled by the competent court in the district in which HDE's company is located, nevertheless, HDE retains the right to summon the Supplier before the competent court in the Supplier's domicile.

21. APPLICABLE LAW

The Contract, of which these Terms and Conditions of Purchase are an integral part, shall be governed and construed in accordance with Netherlands law.

22. DEVIATIONS

In the event that any provision of these Terms and Conditions should prove to be legally invalid, a provision shall be substituted which is closest to its object. The nullity of any provision of these terms and conditions shall not affect the validity of the other provisions.