



GENERAL CONDITIONS for PURCHASE

Article 1 - General

These general conditions for purchase apply to all enquiries and invitations to tender, tenders and to purchase orders in which HP Valves Oldenzaal B.V. is the party inviting the tender and/or purchasing the goods and/or services. Unless explicitly agreed otherwise, the supplier is deemed to have accepted these general conditions for purchase, even if supplier's general conditions of delivery or sales may deviate therefrom. The supplier's general terms and conditions, under whatever name, are expressly excluded.

Article 2 - Ownership / Information and material made available

- Ownership of all specifications, drawings, calculations, information, tools, models, moulds, etc., made available by us, or as the case may be, especially produced for us by the supplier, remain with us, respectively is transferred to us and should be returned, respectively sent to us by supplier at his expense forthwith after the termination of the work and/or after the delivery of the goods.

- Title and ownership of material, made available by us, is and will remain with us under all circumstances and will be marked and individually specified as such by supplier in a manner recognizable by third parties; the material is deemed to be in good condition and in conformity with the specifications, unless supplier has made a complaint in writing within 2 working days after receipt of the materials by the supplier.

- Supplier is not allowed or entitled to use or have used by third parties, any of the aforementioned information, documents and goods for or in relation to any other purpose than the delivery or the execution of the work and/or the delivery of the goods, unless we have given explicit prior written approval.

- The ownership of the work and/or the goods is deemed to have been transferred to us, as soon as supplier gets the goods in its possession for fabrication. The supplier is responsible and bears the risk for aforementioned goods, will hold these for us and will mark and individually specify them as being our property and ownership. Upon our request, the supplier shall allow us to access the location where the goods are to remove any such items or part thereof.

Article 3 - Price

- All prices are fixed and apply free of charge, including duties, based on the Incoterms condition stated in the purchase order. If no Incoterms condition is specified, DDP incoterm shall be applied (according to the Incoterms prevailing on the date of order). Prices are exclusive of VAT and inclusive of sound and adequate packaging

- Increases in price as a consequence of extra work required by us will only be accepted if supplier has given us a specific notification in advance and we have accepted this notification in writing.

Article 4 - Delivery time

- Supplier shall be obliged to comply strictly with the date or, as the case may be, the delivery times mentioned in the order, and to keep us informed in writing of the progress of the work on a regular basis. In the case of delay for whatever reason, without this having been accepted by us, we are entitled to cancel the order, fully or in part, without prior notification of default or intervention by court, without prejudice to our other legal rights, such as full compensation for damage.

- Unless explicitly indicated otherwise in the order and without prejudice to our right to claim compensation from the supplier for any additional damage arising out of or in connection with the delay, in the case of deliveries of goods (complete or part thereof) delayed beyond the specified delivery date, the supplier shall pay liquidated damages in the amount of one percent of the total order value for each commenced week of delay, up to a maximum of ten percent of the total order value

- Partial deliveries are not allowed unless approved by us in writing in advance.

Article 5 - Place of delivery

- The place of delivery is mentioned in the order. The unloading shall always take place within our normal working hours, unless we have agreed in advance that unloading outside these hours is allowed.

- If the prices have been agreed ex works (EXW according to Incoterms prevailing on the date of order), delivery should still take place free of charge inclusive of rights DDP (according to Incoterms prevailing on the date of order); the actual costs of freight and additional clearance costs may then be charged to us separately.

- The risk of loss or damages remains with supplier until the goods c.q. the material provided have returned c.q. arrived, unloaded at the place of delivery.

Article 6 - Quality, inspection, testing

- The work and/or goods delivered shall be in strict conformity with what has been described in the order and shall be in all respects in conformity with the associated drawings, calculations and specifications, be free from design and construction defects, faulty materials and faulty workmanship, and be fit for the purpose for which the goods are destined; the

goods shall also comply with all norms, laws and governmental regulations that apply.

- We and our clients or our clients contractors shall at all times be entitled to carry out or have carried out inspections, testing and examinations during the execution of the order, during which supplier and its supplier's shall provide full cooperation.

- Supplier is obliged to timely submit to us the necessary or required drawings, calculations and specifications in electronic format before starting the work.

- Supplier furthermore is obliged to carry out at his own expense all necessary test-trials and to hand the results thereof over to us, even if this has not been explicitly specified in the order.

- Approval or inspection, in whatever form or for whatever purpose granted by us, receipt of drawings, calculations and specifications or as the case may be, of goods and/or work, or payment by us, does not imply acceptance by us of the goods and/or work and shall not relieve supplier from its obligations.

- Acceptance by us of the work and/or goods will only be made if the supplier has proved to our satisfaction that the goods fully comply with the aforementioned requirements.

Article 7 - Guarantee

- Supplier remedies, rectifies, repairs, or as we may choose, replaces any non-conformity, defect or default at our first demand, if these defects or defaults occur, unless explicitly indicated otherwise in the order, within 24 months after the date the product or the object in which the delivered goods were incorporated, has been taken into use, or, 24 months after date of acceptance by us, whichever is the latest. In case of non-compliance by supplier, we have the right to do or have done by third parties all that is necessary or required at the expense and at the risk of supplier, and to set off all costs related to this against the payments to be made to supplier.

- Supplier hereby transfers, assigns any guarantee, given to him by his suppliers, without him being relieved from his own aforementioned guarantee obligations. He shall hand over to us the guarantees upon delivery of the goods or upon acceptance by us of the work, whichever is the latest.

- The aforementioned guarantee of supplier will be extended in case of a replacement or repair of a defect within the guarantee period specified.

Article 8 - Liability / Insurance

- Supplier is liable for all damages or personal injuries whatsoever, caused by or to goods delivered, or work performed as a consequence of faults or defects of the goods delivered, or the work performed, for all damages of whatever nature caused by the non-fulfilment of his obligations or, as the case may be, caused by an action or omission by him, whether due to his negligence or not. The liability includes also damage as a consequence of late delivery, damage to equipment and property of a third party, loss of profit and consequential damage. Supplier shall indemnify and hold us harmless against any claim of third parties.

- Supplier shall provide insurance for his liability, satisfactory to us, shall pay the premium for said insurance in full in advance for the duration of the order and shall arrange to our satisfaction, that payments, if any, will be made directly to us; in case of non-compliance we are entitled to cancel the order immediately without prejudice to our other rights.

Article 9 - Industrial property

- Supplier warrants that the goods to be delivered by him to us, or the work to be performed will not violate in any way any right of industrial property of third parties and indemnifies us against and holds us harmless for any claim that may be filed against us. Any cost, damage, expenses, fines and interests, resulting from any violation or alleged violation will be reimbursed by supplier.

Article 10 - Sub-contracting and the Wet

Ketenaansprakelijkheid (Act on ultimate responsibility for payment of taxes and social contributions)

- Without prior written approval by us, supplier is not allowed to transfer or assign the order or any part thereof to a third party. In any case no approval will be given unless the third party has declared in writing that he fully accepts all obligations, liabilities and responsibilities of the order. Transfer or assignment does in any case not relieve supplier from his liability for the proper and timely execution of the order.

- In any case no approval will be given by us if supplier would not fully comply with the Wet Ketenaansprakelijkheid (Act on ultimate responsibility for payment of taxes and social security contributions) and the procedure for invoicing and payment.

Article 11 - Confidentiality

- Supplier is obliged to keep confidential drawings, models, constructions, schemes, schedules, other information and know how, provided by us to supplier in relation to enquiries and

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Medium & high pressure valves in
accordance with ASME, EN, BS & API

invitations to tender and to the order. Drawings, specifications, calculations, etc., developed by the supplier in connection with the order shall become our property and shall be put at our disposal.

Article 12 - Payment

- Only after supplier has fulfilled all his obligations, supplier may invoice us for the price agreed upon; payment will be made by us within 60 days after the date of the receipt of the invoice.

- Supplier is obligated at any time to provide us personal or collateral security required by us upon our first request.

- We are entitled to set off any payment, interest, cost and damage to be made to us by supplier against any payment to be made to supplier.

- Supplier shall not be allowed to assign any of his rights to third parties; in the event of violation of this condition we are entitled to cancel the order immediately.

Article 13 - Identification of goods/properties

- All identification regulations and instructions of the order shall be complied with. Identifications shall be applied very distinctly by supplier; in case of non-compliance to our satisfaction, supplier is obliged to as yet apply (missing) identifications upon our first request at his expense at the place at which the goods are then located.

Article 14 - Instruction for safety/environment/CoC

- Supplier is obliged fully to comply with all legal requirements on safety and environment, and regulations and instructions of governmental authorities, such as the labour inspection, in the execution of his work at our, at his own or at the site of third parties, and is obliged not to pollute the relevant site in anyway and to indemnify and hold us harmless against any claims, penalties or damages, if any.

- Supplier is obliged to fully comply with all our instructions and directions with respect to safety and the environment; any waiting hours resulting from this will not be reimbursed.

- The removal of waste and chemical waste in compliance with the applicable legal requirements shall be done at the risk of supplier and for his own account.

- We expect our suppliers and business partners to adhere to the Indutrade AB Code of Conduct, which outlines our standards on integrity, sustainability, human rights, and legal compliance. The full Code of Conduct is available at: <https://www.hpvalves.com/services#downloads>
By accepting our purchasing terms, you agree to comply with this Code of Conduct.

Article 15 - Interim cancellation and termination

- When the supplier fails to fulfil its obligations or is imputable to the same, pursuant to the order or agreements arising from the order, in the event of the supplier's compulsory liquidation, when the supplier has been granted suspension of payments, in case of winding up, closing down or any comparable situation of the supplier's company, in the event that an alteration in the control over the supplier's company, our interests, to our opinion, are not guaranteed sufficiently, we shall be entitled to cancel the agreement, wholly or in part, at any time and without court intervention, by means of a written notification to supplier without being obliged to pay any compensation for damages and without prejudicing any of our other rights; also we are entitled to suspend any payment and/or to order a third party to perform the work fully or partially, without any obligation to compensate any damages, and without prejudice to any other right, if any which we may have and without prejudice to our right on compensation for damages. Immediately after receipt of the written notification, or at the time mentioned therein, supplier will stop its activities and the work.

- Besides the afore referred cases, we shall have the right to terminate or suspend the order, wholly or in part, at any time without cause. In such a case of termination, we and the supplier shall determine in consultation a reimbursement for the direct actual costs incurred by the supplier until the moment of termination without being obliged to pay any compensation for damages.

Article 16 - Disputes and applicable Law

- The Netherlands law applies to all enquiries and invitations to tender and orders and on any other agreement, as a consequence thereof. All disputes which may arise following or in relation to the enquiries or invitations to tender, orders or any agreement as a consequence thereof will be submitted to the competent court at Rotterdam. The CISG (Convention on the International Sales of Goods) is not applicable.

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