



**GENERAL TERMS AND CONDITIONS OF PURCHASE OF NV HENCO INDUSTRIES AND NV HENCO FLOOR**

- a. These general terms and conditions of purchase (hereinafter referred to as “**General Conditions of Purchase**”) shall apply (i) to any quote request from NV Henco industries ( BCE BE 0443.598.222), NV Henco Floor (BCE BE 0862.237.117) or a company that is controlled by NV Henco Industries and/or NV Henco Floor within the meaning of the Belgian Code of Companies and Associations or that falls under the same power of control as NV Henco Industries and/or NV Henco Floor (hereinafter jointly and separately referred to as “**Henco**” or “**Customer**”),  
(ii) to any order placed by Henco with a supplier of products, goods or services (hereinafter referred to as “**Supplier**” or “**Contractor**”), as well as  
(iii) to any purchasing agreement (hereinafter referred to as “**Purchasing Agreement**” or “**Agreement**”) that is concluded by Henco as customer with a Supplier,  
regarding the purchase by Henco of one or more products or goods (hereinafter referred to as “**Objects**”) and/or services (hereinafter referred to as “**Services**”) which are defined in the concerned Purchase Agreement as well as through the legal acts which relate to the conclusion hereof (such as among others quote request, quotation, purchase order, order confirmation), including any additions/alterations hereof.
- b. The general terms and conditions of the Supplier are not opposable to Henco, irrespective of their name and/or whether or not they appear later on quotations, order forms, order confirmations or any other document of the Supplier. Any general terms and conditions of the Supplier shall only be opposable to Henco if the latter has expressly accepted them in writing.
- c. The Objects and/or services (hereinafter referred to as “**Deliveries**”) to be supplied, may concern various and diverse products, goods and services. Insofar as one or more provisions of the General Conditions of Purchase do not relate to a certain type of Object or Service, these provisions will be left without consequence with regard to these specific Objects or Services.

**1. Conclusion of the Agreement**

- a. The Purchase Agreement/Agreement concerns the purchase by the Customer/Henco from the Supplier/Contractor, who accepts, of the Objects and/or Services mentioned in the special conditions (hereinafter referred to as “**Special Conditions**”) against payment by the Costumer of the price as stipulated in these Special Conditions.
- b. An Agreement between the Customer and the Contractor (whereof these General Terms of Purchase are by operation of law integral part) as well as any additions/adjustments, is concluded at the moment that the Contractor has accepted in writing, without any alteration and without any reservation the Customer’s (purchase) order or when the Customer has accepted in writing by means of an order confirmation the quotation submitted by the Contractor. The Customer does not have to motivate the not acceptance of a quotation.
- c. The Customer reserves for itself the right to withdraw any of its (purchase) orders if the Contractor fails to accept the same in writing without any alteration within one (1) calendar week after receipt thereof.
- d. If the acceptance by the Contractor deviates from the original order or purchase order, the Customer will only be bound if it expressly confirms in writing its agreement with this deviation. Receipt of the Delivery by the Customer as well as payments made by the Customer do not imply the acceptance of the deviations. Any documentation and samples received with the offer does never have to be returned by the Customer.



## 2. Prices

- a. The agreed prices are fixed in euros, excluding VAT and including all other costs relating to the Delivery, among which – but not limited to – insurance, overhead, packaging, transport, delivery, administration, shipping, call-out and connection charges. A price increase by the Contractor (among others after external price increases with regard to raw materials, currency fluctuations, changes in the production process, product adjustments etc) is only possible with the prior written consent of the Customer.
- b. If the Contractor, during the term of an Agreement, charges one or more customers lower prices and/or rates for services or objects comparable in nature and size to the Deliveries, the Contractor will also charge these lower prices and/or rates to the Customer.
- c. This adjustment shall apply as of the date on which the Contractor started charging these lower prices. The Contractor is obliged to inform the Customer spontaneously about these lower prices and/or rates and shall forthwith credit the overpaid amount.
- d. To ascertain whether the Contractor acts in accordance with the provisions of this article, the Customer has the right to periodically conduct a check of the records of the Contractor.

## 3. Invoicing and payment

- a. Invoicing by the Contractor will solely occur after the completion of the Delivery. Invoices shall at least include:
  - °the number of the (purchase) order of the Customer, specified per position, stating the position number(s) and article number(s)
  - °a specified description of the Delivery;
  - °the address where the Delivery has been made or carried out;
  - °the date on which the Delivery has been carried out or has actually been made
  - °if applicable, the number of hours worked, the wage costs per hour and the materials used (stating the unit prices).As long as this information is missing, the Customer has the right to suspend the payment obligation. Duplicates of an invoice shall be marked as such. Price adjustments due to price differences in relation to wage cost and/or raw materials are excluded.
- b. The Customer shall pay the Contractor within sixty (60) calendar days end of month of receipt of the invoice.
- c. If the Customer pays an invoice within fifteen (15) working days after receipt hereof, it is entitled to deduct a discount of two (2) % of the total invoiced amount.
- d. Payment by the Customer does in no way constitute a waiver of any right to reconsider the performance of the Delivery. The Customer is by operation of law entitled to offset its claims against its debts to the Contractor.
- e. If the Customer so requests, the Contractor will pay a deposit or will provide a bank guarantee to be determined by the Customer before the Customer makes goods available or in case of a full or partial advance payment for the goods.

## 4. Delivery



- a. Unless explicitly agreed differently in writing in the Special Conditions, Objects will be delivered '*Delivery Duty Paid*' at the address of the Customer in accordance with the version of the Incoterms applicable at the time of the (purchase) order.
- b. Partial deliveries are not permitted unless the Customer has agreed in writing to the same.
- c. The delivery date(s) or delivery period(s) of the Agreement are binding and strictly applicable. These apply to the entire Delivery, including the accompanying drawings or other documents.
- d. If there are circumstances wherefrom it can be expected that agreed delivery date(s) or delivery period(s) shall be exceeded, the Contractor shall immediately, and in writing, inform the Customer hereof. Compliance with this obligation does not affect the liability of Contractor for the lateness.
- e. If the Contractor exceeds any agreed delivery date(s) or period(s) the latter owes by operation of law – without prior notice of default – to the Customer a compensation for the delay of one (1) % of the price of the Delivery per calendar week up to a maximum of ten (10) %, without prejudice to the Customer's right to prove and claim more damages and/ or to apply article 14.a. of these General Conditions of Purchase.
- f. If the Customer, for any reason whatsoever, is unable to accept a Delivery on the agreed delivery date, the Contractor is by operation of law obliged to suspend the delivery at the request of the Customer, for a maximum period of 12 calendar weeks . The Customer shall as a consequence hereof not be held liable to pay to the Contractor any delay interest, storage costs or compensation.

#### 5. Packing and shipment of Objects

- a. The Contractor shall package the Objects to be delivered as economically, environmentally-friendly, safely and carefully as possible and in such a manner that the shipment can be handled during transport and unloading. The Contractor shall ensure that the Objects will reach the place of destination in good condition. Special packaging that should be returned to the Contractor must be marked as such.
- b. The packaging, the transport, the storage and the processing of the Objects must comply with the applicable laws and regulations in the field of safety, environment and working conditions. If there are safety data sheets for an Object or the packaging, the Contractor shall always immediately provide the same with the delivery.
- c. The Contractor shall mark any shipment with at least the reference number and the number of packages as well as the correct name and address details of the delivery address. The outside of the packages shall be provided with a packing list indicating the content of the shipment. A Delivery that does not meet these requirements may be refused by the Customer.

#### 6. Transfer of ownership and risk

- a. In case of delivery of Objects, even in case of maintenance, replacement of parts or otherwise, the ownership of the delivered Object to be delivered will be transferred to the Customer at the time that the Objects to be delivered are identified and/or separated as being designated for the Customer, at the location of the Contractor.
- b. The risk of the delivered Objects and Services transfers to the Customer at the time it has taken receipt of the Delivery.
- c. In case a Delivery is returned to the Contractor as a result of rejection thereof by the Customer, the risk of the Delivery in question will again rest with the Contractor as from the moment the delivery is sent back to the Contractor.



## 7. Inspections

- a. The Customer has the right but not the obligation to (let) inspect or examine the Delivery by officers or external staff, whom it has designated for this purpose. The Contractor shall provide all the assistance needed for this purpose. The Contractor cannot derive any rights vis-a-vis the Customer from the results of an inspection as referred to in this article or an inspection carried out by the Contractor prior to delivery.
- b. All costs associated with inspections and re-inspections shall be borne by the Contractor, except the costs of the officers or external staff designated by the Customer to carry out the inspection.
- c. The Contractor shall provide the Delivery with a unique (batch) number to be able to trace the raw materials, the processing and test results of the Delivery. At the first request of the Customer, the Contractor shall submit the documentary evidence relating to the origin of the raw materials.

## 8. Contract variations

- a. The Customer has the right to adjust the size and/or capacity of the Delivery, even if this results in contract variations.
- b. If the Contractor believes that the adjustment will affect the agreed price or delivery period, it shall forthwith inform the Customer in writing and in case of additional work submit a written offer in respect of the price and the associated period as well as the consequences for the other work to be performed by the Contractor.
- c. If in the event of such an adjustment no agreement is reached on a new price and delivery period, the Customer is by operation of law entitled to (partially) terminate the Agreement without being held to pay any compensation or costs.
- d. Additional work will only be performed by the Contractor following written instructions from the Customer. Additional work in any case does not include additional work the Contractor could or should have anticipated upon conclusion of the Agreement in order to be able to provide the agreed performance and functionality/functionality or the work resulting from a breach by the Contractor. No payment is due for additional work that has been performed without written instructions from the Customer.

## 9. Personnel of the Contractor

- a. In the event of services, the Contractor shall ensure that the relevant personnel has the skills, experience and knowledge required for the performance of the tasks assigned to it. The Contractor shall make every effort to perform the services or the work in the most cost-efficient manner.
- b. The Contractor shall only use its own personnel, except if the Customer has given its prior written consent for the use of others. The Contractor shall inform its personnel of their legal obligations so they will be able to immediately identify themselves in case of inspections.
- c. If a member of the Contractor's personnel in the reasonable opinion of the Customer is not suited for the provision of the services or the performance of the work and/or performs unsatisfactorily, the Contractor shall arrange for his immediate replacement, without any additional costs and at the first request of the Customer.



## 10. No exclusivity and/or minimum purchase

- a. The Customer is always allowed to use other contractors for the delivery of products, goods or services, unless an exclusivity has explicitly been agreed in writing between the Customer and the Contractor in a separate paragraph of the Special Conditions with the title: "Exclusivity of Delivery".
- b. The Customer is never obliged, now or in the future, to take off a minimum amount of Objects or Services unless this has explicitly been agreed in writing in the Special Conditions with the title: "Minimum volume obligation".

## 11. Warranty

- a. The Contractor warrants that the Delivery:
  - a. upon delivery of goods will be of good quality and free of defects and in case of performance of work will be carried out by personnel with the requisite skills, experience and knowledge required to perform the tasks assigned and with the use of new and sound materials;
  - b. fully complies with the provisions of the Agreement, the stated specifications and the reasonable expectations of the Customer in respect of the characteristics, the quality and reliability of the Delivery;
  - c. is suitable for the purpose of the Delivery as is evident from the nature of the good or from the delivery or order;
  - d. meets the Belgian and EU legal requirements and the other applicable governmental regulations;
  - e. meets the accepted norms and standards in the relevant branch of trade and industry;
  - f. in accordance with the statutory European directives complies with the CE marking and the EC declaration of conformity for machinery / safety components or "manufacturer's declaration" whereby the Contractor shall provide the EC declaration of conformity;
  - g. if applicable to the Delivery is ISO 14001 certified; and
  - h. continuously applies and warrants the principles and guidelines of ISO 26000.
  - i. is accompanied with the necessary instructions with respect to the use, safety and warnings in all applicable languages.
- b. If the Agreement refers to technical, safety, quality, environmental or other regulations and documents not appended to the Agreement, the Contractor is deemed to be aware of these regulations unless it promptly notifies the Customer per registered letter that it is not. The Customer shall then provide the Contractor with further information about these regulations and documents. The Contractor shall at its own risk and expense arrange to obtain timely the consents, permits or licences required for the performance of the Agreement and for the compliance with the conditions specified therein.
- c. During the warranty period, any (part of a) Delivery that is defective and/or is not in conformity with the order concerned and/or the specifications of the Customer and/or in any way fails to meet the obligations of the Contractor as provided in among other articles 11a of these General Conditions of Purchase, shall immediately be replaced and/ again performed by the Contractor at its own expense (including materials, labor costs, transport costs, insurance etc) and risk, without prejudice to the Customer's claims for compensation for the damage it has suffered directly or not due to the Contractor's fault, negligence or shortcoming. Any deviations of the aforementioned warranty (e.g. repair instead of entire replacement) are solely possible with the prior and written consent of the Customer.



- d. If the Parties have not agreed a written warranty period in the Special Conditions, the warranty period will be five (5) calendar years after the date of delivery and/or completion. For Objects intended to be incorporated in installations or systems, the warranty period will only commence at the time of completion or delivery of those installations or systems, on the understanding that the warranty period will end no later than five (5) calendar years after the date of delivery of the Objects.
- e. A new warranty period will apply to a Delivery that has been replaced, repaired or again performed, equal to the original warranty period.

#### 12. Force majeure

- a. The Contractor can only rely on force majeure vis-a-vis the Customer if it informs the latter in writing (with submission of the documentary evidence) of the occurrence of force majeure as soon as possible, but no later than within 24 hours after the occurrence of the circumstance which led to the force majeure,.
- b. Force majeure does in any case not include: illness of personnel, delay caused by suppliers or late delivery of materials or personnel, material scarcity or unsuitability of materials, inability to obtain the required licences or consents and strikes (both organized and unorganized).

#### 13. Liability

- a. The Contractor is liable for all direct and indirect damage, including loss of profits, incurred by the Customer as a result of any attributable failure to perform the Agreement by the Contractor or any attributable late or improper performance of the Agreement by the Contractor or violation of any other contractual obligation or an unlawful act. The Contractor shall keep the Customer free and harmless against any claim by third parties in this respect (among others after resale or processing of an Object) and this as well in principal as in interest and costs.
- b. The Contractor shall subscribe sufficient insurance coverage for its liability under the law and/or Agreement vis-a-vis the Customer. The Contractor shall furthermore subscribe insurance coverage for all normal insurable risks of its business operations (among others general liability, product liability, product recall). The Contractor shall maintain these insurances covers. The Contractor will provide an insurance coverage of at least 5 million US dollars per claim. The Customer has at all times the right to check the compliance by the Contractor with these obligations.
- c. At the first request of the Customer, the Contractor shall forthwith submit a (certified copy) of the insurance policies and proof of premium payment. The Contractor hereby assigns in advance to the Customer all claims to payment of insurance proceeds insofar as related to damage for which the Contractor is liable towards the Customer.
- d. In case of liability of the Contractor as referred to in this article, it shall also be liable for all extrajudicial and judicial costs reasonably incurred by the Customer in order to obtain payment of its claim. In any event, the Customer has the right to charge the Contractor ten (10) % of the total claim with a minimum of € 250 for extrajudicial costs, without prejudice to its right to prove higher damages and claim higher compensation.

#### 14. Termination of the Agreement

- a. If the Contractor fails to fulfil one of its obligations arising from an Agreement and/or an order and leaves a notice of default of the Customer more than eight days without a full and favourable result, the Customer



can by operation of law - without prejudice and in addition to the other rights which the Customer may appeal to (e.g. forced execution) - immediately terminate the Agreement and all current orders, wholly or partially, to the disadvantage of the Contractor and/or claim an adequate compensation, without the Contractor being able to claim any compensation. Any claim that the Customer may have or obtain against the Contractor, for whatever reason, will then become immediately due and payable.

- b. In addition, the Customer has the same rights in case:
- (i) The Contractor is declared bankrupt or goes into liquidation, or gets protection against its creditors or it is in state of discontinuation of payment.
  - (ii) There is a change of control over the Contractor's company in the sense of the Code of Companies and associations
  - (iii) The Contractor's assets (or part thereof) are seized in any way whatsoever
  - (iv) It appears that the Contractor, when entering into an Agreement, withheld facts or circumstances or incorrectly presented the same in such way that in case of timely knowledge thereof the Customer would not have entered into the Agreement or solely under different conditions.
  - (v) An important change in market conditions (in particular relating to the market price) occurs.
- c. In the event of termination, the risk of the Objects already delivered remains with the Contractor. The Objects are then available to the Contractor and must be collected by it. The Contractor will immediately refund what has already been paid by the Customer with respect to the terminated Agreement. In addition, the Contractor will immediately, at its own expense, return the objects made available by the Customer in the context of this Agreement at and also deliver all objects owned by the Customer to the Customer without delay.

#### 15. Intellectual property rights

- a. If the Delivery or the accompanying documentation are subject to intellectual property rights, the Customer acquires the right to use it, free of charge, by means of a non-exclusive, worldwide, perpetual licence. All intellectual property rights which arise as a result of the execution of the Delivery by the Contractor, its personnel or third parties engaged by the Contractor for the performance of the Agreement, rest with the Customer.
- b. At the first request by the Customer, the Contractor is obliged to do all that is necessary for the acquisition and safeguarding of these rights, as well as for the transfer thereof to the Customer (whereby the relevant compensation is by operation of law included in the price invoiced by the Contractor).
- c. The Contractor warrants that the Delivery does not infringe any intellectual property rights of third parties. The Contractor holds the Customer integrally free and harmless (as well in principal sum as in interests and costs) against claims from third parties based on (alleged) infringements in this respect.

#### 16. Obligation of confidentiality and obligation to provide information

- a. 1. The Contractor shall not disclose in any way what it becomes aware of in the performance of the Agreement and of which it knows or reasonably can expect the confidential nature, except insofar as the Contractor is obliged to disclose based on any legal regulation or court decision.
- b. The Contractor shall oblige its personnel and the third parties engaged by the Contractor, to respect this obligation of confidentiality and guarantees that these persons will fulfil this obligation.
- c. The Contractor makes no public announcements relating to an Agreement and/or Deliveries except with prior written permission of the Customer.



- d. The Contractor shall make available to the Customer any electronic and written information it has in its possession within the context of the performance of an Agreement, within ten (10) calendar days of termination of the relevant work.

17. EU/US export regulations

- a. If technology falling under the “US Export Administration Regulations” or under export regulations of the EU or an EU Member State is processed in a Delivery, the Contractor shall per registered letter immediately inform the Customer hereof in accordance with the relevant provisions.

18. Encumber, transfer and subcontract

- a. The Contractor does not have the right to encumber or transfer any rights or obligations under an Agreement without the prior written consent of the Customer. The above-mentioned prohibition has effect under the law of obligations and under property law.
- b. The Contractor does not have the right, without the prior written consent of the Customer, to subcontract or transfer the execution of (a part of) a Delivery, in whole or in part, to third parties.

19. Suspension and set-off

- a. The Contractor does not have the right to suspend any obligation under the Agreement, in whole or in part.
- b. The Contractor does not have the right to offset its claims against the debts to the Customer.

20. Governance and integrity

- a. The Contractor is deemed to observe all relevant laws and regulations in its business operations in general and in the execution of the Delivery in particular, explicitly including, but not limited to, the provisions on competition, export control and sanctions, bribery, environment and safety.
- b. The Contractor is also bound to the most recent version of the Supplier Code of Conduct of HENCO Industries N.V. or HENCO Floor N.V. If the Contractor at any time does not (fully) comply with this code or threatens to not (fully) comply with this code, the Contractor shall per registered letter immediately inform the Customer hereof in writing.

21. Applicable law and disputes

- a. Agreements between the Customer and the Contractor and related non-contractual claims are governed by Belgian law to the exclusion of the Vienna Sales Convention (CISG).
- b. Any disputes between the Customer and the Contractor shall be exclusively submitted to the competent court of Turnhout, Belgium.
- c. If Henco does not or does not immediately exercise its rights, this will not affect its right to do so later, or on another occasion.
- d. The Contractor will notify Henco per registered letter within three (3) days any change of registered office, as well as any other relevant information.
- e. If one or more provision of the Purchase Agreement (of which these General Condition of Purchase form an integral part) would be void or unenforceable for whatever reason, this will not affect the validity of the other provisions or of the Purchase Agreement as such and the parties will immediately replace any non





enforceable provision by a new provision that is as close as possible to the intention of the replaced provision.

- f. The Contractor shall always comply with any applicable legislation and regulation during its business activities in general and the execution of Purchase Agreements in particular, including, without limitation, provisions regarding competition, export control, private bribery, environment and safety.
- g. The Contractor acknowledges having taken cognizance of all the written and printed provisions of the Purchase Agreement and declares to accept these terms and conditions .
- h. Henco is solely bound by written commitments confirmed by its management or by an authorized person. The same applies to any change or addition to a Purchase Agreement (including the General Conditions) of Purchase).
- i. Henco is entitled to transfer the Purchase Agreement and/or its relevant right and/or obligations in whole or in part to a third party (to be designed by it), which will by operation of law be entitled to invoke all rights, claims and means of defence resulting for Henco from the relevant Purchase Agreement. The Contractor gives its irrevocable permission for this in advance by signing the Purchase Agreement.
- j. Henco collects and processes the personal/business data that it receives from the Contractor for the purpose of executing the contractual relationship as a result of Henco's order, delivery management, purchases, accounting and direct marketing activities. The legal grounds are the execution of the agreement, the fulfilment of legal and regulatory obligations and/or the legitimate interest (including to enable the Contractor to offer new products and/or services to Henco). This personal data will only be passed on to processors, receivers and/or third parties insofar as this is necessary for the aforementioned purposes for processing. The Contractor/Supplier bears responsibility for the correctness of the personal/business data he sends to Henco and shall comply with the General Data Protection Regulation with regard to the persons from whom he has transferred the personal data to Henco, as well as with regard to all possible personal data that he would receive from Henco or employees. If you/ the Supplier do not want Henco to process your data with a view to direct marketing, it is sufficient to communicate this to Henco via [privacy@henco.be](mailto:privacy@henco.be) . Via this address you/the Supplier can always ask which data Henco processes about you/the Supplier and have them corrected or deleted. The Contractor/Supplier confirms that he has been adequately informed about the processing of his personal data and about his right to access, correct, delete and object.

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