

## **GENERAL TERMS AND CONDITIONS OF PURCHASE**

### **1. SCOPE AND EXCLUSIVE APPLICATION OF OUR GENERAL TERMS AND CONDITIONS OF PURCHASE**

- 1.1.** Unless otherwise agreed in writing, these General Terms and Conditions of Purchase ("GTC") establish the terms/conditions governing any purchase orders of goods/services ("PO") placed in writing, via fax, e-mail or other means, by **COLEP PORTUGAL, S.A.** or **COLEP NAVARRA S.A.U.** (jointly "**COLEP**") to any suppliers ("**SUPPLIER**"). Unless otherwise agreed in writing (namely in a Supply Agreement), a PO and the GTC shall constitute the entire agreement for the supply of any goods/services by SUPPLIER to COLEP.
- 1.2.** The GTC apply exclusively on all present/future PO placed by COLEP with the SUPPLIER and supersede and prevail over, without exception, any SUPPLIER terms/conditions, irrespectively of any prior dealings between the parties. Separate agreements, modifications or deviations to the GTC shall be subject to COLEP's prior written agreement. The GTC may be discretionarily revised by COLEP and such revised GTC will be immediately effective for any future PO.
- 1.3.** By accepting and/or starting performance of any PO, SUPPLIER acknowledges having read, understood and agreed being bound by the GTC. Should SUPPLIER object to any terms hereof, SUPPLIER shall notify COLEP thereof in writing within 3 business days from reception of a given PO and withhold acceptance and/or performance of the PO until/unless such objection is settled in writing by the parties.
- 1.4.** Should one or more provisions of the GTC be invalid, void or unenforceable, such provision shall be deemed ineffective or deleted and the validity or enforceability of the remaining provisions shall not be affected or impaired.

### **2. FORMATION OF CONTRACT – CONTRACTUAL DOCUMENTS**

- 2.1.** All PO shall be confirmed in writing by the SUPPLIER within 3 business days from reception thereof and should SUPPLIER fail to confirm any submitted PO, such PO will be deemed tacitly confirmed. Upon SUPPLIER's explicit or tacit confirmation, such PO will be deemed accepted and binding for the parties. SUPPLIER shall not be entitled to cancel or revoke any PO submitted and accepted accordingly hereto.
- 2.2.** Deviations to the terms of any specific PO shall be valid only in case such deviations are confirmed by COLEP in writing.

### **3. DELIVERY – PACKAGING – DEVIATION OF QUANTITIES**

- 3.1.** Unless otherwise agreed, goods and/or services are supplied/delivered **(i)** according to the incoterm (INCOTERMS® 2010) and at named place of destination and performance indicated in the PO, **(ii)** conforming with packaging and labelling specifications and documentation and certificates established herein and/or in the PO and/or required by applicable Incoterms, law or regulation (of countries of origin, destination and transfer). Solid wood packing materials used in shipments (pallets, boxes, dunnage, etc.) must comply with the ISPM 15 regulations, including but not limited to the "HT" stamp.
- 3.2.** All deliveries must be accompanied by **(i)** the delivery note referring the PO number; **(ii)** the certificate of analysis (including, for raw materials, the respective production and expiry date) or certificate of conformity; and **(iii)** the safety data sheet.
- 3.3.** For the avoidance of doubt: **(i)** packaging, transportation, insurance, freight and cartage costs shall be borne by SUPPLIER unless otherwise stipulated in the relevant PO or agreed in writing by the parties; **(ii)** COLEP shall not be required to accept partial deliveries, unless otherwise agreed in writing by the parties.
- 3.4.** Goods/services shall be delivered in strict compliance with the quantity, volume and description as stated in the PO. For deliveries differing from the quantity/volume established in the relevant PO by more than the percentage stated in the PO, COLEP may return the goods in excess free of costs, whereas, in case of short deliveries, COLEP may reject such deliveries at the SUPPLIER's expense, without prejudice of other rights or remedies hereunder. In any event, if any goods/services are delivered incorrectly, SUPPLIER shall liable for all additional expenses incurred by COLEP as a result thereof.

### **4. TIME OF DELIVERY – DAMAGES**

- 4.1.** The delivery date or delivery lead time set forth in any confirmed and accepted PO shall be binding for the SUPPLIER.
- 4.2.** SUPPLIER shall immediately inform COLEP of any potential delay of a delivery and recommend reasonable recovery/remedial measures at SUPPLIER's sole cost and expense, which COLEP may discretionarily accept, without prejudice of any other rights and obligations hereunder.
- 4.3.** In case of delay attributable to the SUPPLIER, COLEP shall, without prejudice of any rights hereunder, be entitled to claim damages or deduct from the gross price of any given delivery an amount corresponding to 0,25% for each day of delay, limited to a maximum of 10%.
- 4.4.** COLEP shall be entitled to cancel any PO without cost/charge for delays exceeding 2 weeks, reserving the right to claim for additional damages for non-performance.

### **5. QUALITY REQUIREMENTS – ACCEPTANCE – WARRANTY**

- 5.1.** All goods/services shall **(i)** be supplied in strict accordance with the quality requirements/product specifications set out or referenced to herein and/or in the PO and all applicable laws and regulations, **(ii)** be free from defects (including in design, materials and workmanship), **(iii)** comply with applicable ISO-standards and **(iv)** be subject to permanent quality inspection.
- 5.2.** For the avoidance of doubt, SUPPLIER may not change the product specifications without COLEP's prior written approval.
- 5.3.** In case of raw materials, expiry date must be not less than 6 months from delivery date.
- 5.4.** COLEP will carry out an incoming inspection to the quantity and quality of the goods/services (visible/obvious defect) within 10 days from their delivery and may reject/refuse delivery if they fail such inspection, issuing a written notice of defects. The provisions of this Section shall apply to any replacement delivery of goods rejected pursuant hereto.
- 5.5.** A notice of defect shall also be deemed valid and timely when issued within 30 days from the date of discovery by COLEP in case of hidden defect.
- 5.6.** Unless otherwise provided in a PO, SUPPLIER warrants the goods'/services' conformity to all applicable requirements for a period of 36 months as from their delivery date. In case of non-compliance COLEP shall be entitled to demand SUPPLIER to, at SUPPLIER's expense (including costs of transportation, labour and materials), promptly correct, repair or replace the goods/services to comply with the applicable requirements. Without prejudice to other rights and remedies, should SUPPLIER fail any such demand within reasonable time (as granted by COLEP), COLEP shall be entitled to either, directly or indirectly, correct or repair the goods/services at SUPPLIER's expense or demand immediate refund of their purchase price plus 5% interests and any other amounts paid in connection therewith.

### **6. PRICE AND PAYMENT CONDITIONS**

- 6.1.** SUPPLIER shall invoice the goods/services at the price and under the terms established herein and/or in the relevant PO, which shall be binding. The price shall include all taxes, charges and duties, except VAT, which will be added separately when applicable.
- 6.2.** All invoices must refer to **(i)** the PO number; and **(ii)** COLEP's VAT number.
- 6.3.** Invoices not conforming with the terms of these GTC and/or the relevant PO will be sent back for re-issuing.
- 6.4.** Invoices shall be paid in accordance with the terms and deadlines set forth in the relevant PO as from the respective date of receipt and provided the goods/services have been correctly delivered and accepted by COLEP. In the event that Colep fails to pay any undisputed amount by the applicable payment date, Supplier shall be entitled to charge Colep such fees and/or interest (if any) as may be imposed by applicable law, provided that in no event shall interest accrue at a rate in excess of the then applicable Euribor 1 month rate plus 2% percent.
- 6.5.** COLEP may set-off any amounts due by the SUPPLIER against amounts due by COLEP under any PO and is entitled to right of retention pursuant to applicable law. SUPPLIER may assign any credit right over COLEP subject to COLEP's prior written consent.

### **7. LIABILITY – INDEMNITY – LIABILITY INSURANCE – LIMITATIONS**

- 7.1.** Breach of any of SUPPLIER's obligations under these GTC and any given PO shall be subject to general contract law, without prejudice of any terms and limitations established under a specific PO and the present GTC.
- 7.2.** SUPPLIER shall keep COLEP indemnified in full against any and all damages, liabilities, claims, costs and expenses resulting or in connection with: **(i)** gross negligent, wilful acts or omissions or strict liability of the SUPPLIER; **(ii)** breach by SUPPLIER of any terms of a PO or the GTC; **(iii)** SUPPLIER's non-compliance of any applicable law, regulation or governmental orders and requirements; **(iv)** defective workmanship,

quality or materials of the goods/services; **(v)** infringement of any IP Rights (as defined in Section 8) caused by use, manufacture or supply of the goods/services; **(vi)** third party claims relating or arising from direct or indirect breach, negligent performance, or delay in performance by the SUPPLIER. SUPPLIER shall bear all costs resulting from any precautionary measures to avoid non-contractual liability claims.

**7.3.** If SUPPLIER is liable pursuant to Section 7, SUPPLIER shall reimburse COLEP any expenditures resulting for COLEP in connection therewith, notably, without limitation, any product recall or resulting from applicable general tort law. COLEP shall, to the extent possible and reasonable, inform the SUPPLIER of the contents and scope of any measures taken. For the avoidance of doubt, COLEP reserves any rights provided by law in regard hereto.

**7.4.** SUPPLIER shall maintain liability insurance appropriate to cover all obligations/liabilities under a PO and these GTC, which shall not limit SUPPLIER's liability towards COLEP. COLEP reserves the right to claim SUPPLIER for any amounts exceeding any insured amount.

**7.5.** COLEP's liability under a PO, the execution thereof and the GTC shall be strictly limited to **(i)** a maximum of 2 years, **(ii)** the amount payable by COLEP thereunder, and **(iii)** solely to direct, typical and reasonably expected damages, unless resulting from wilful misconduct. COLEP shall not be liable to SUPPLIER for any consequential, indirect, special, punitive, exemplary or incidental damages, lost profits or attorney fees or costs.

## **8. INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS**

**8.1.** SUPPLIER warrants being the legitimate owner or licensed user of any intellectual or industrial property rights or trade secrets (jointly "IP Rights") used for the manufacture and supply of any goods/services under a PO and that no infringement of any third party IP Rights result therefrom, nor from the use or incorporation of such goods/services by COLEP or COLEP's respective clients or costumers.

**8.2.** COLEP shall not be liable for, and SUPPLIER shall hold harmless and defend COLEP against, any infringement claims of IP Rights brought by third parties and any losses, damages, costs and expenses (including reasonable attorney fees) arising out of or in connection therewith.

**8.3.** COLEP reserves all IP rights regarding illustrations, drawings, calculations and other provided to SUPPLIER for performance of any PO.

## **9. TITLE AND RISK**

**9.1.** Title and risk of loss/damage to the goods shall pass upon delivery pursuant to the applicable Incoterm. Reservation of title is strictly excluded.

**9.2.** If COLEP provides SUPPLIER with goods for processing, COLEP shall reserve title thereover and SUPPLIER shall store and insure such goods against loss, damage and deterioration at sole expense. Title over processed goods is determined at *pro-rata* basis of the value of **(i)** the goods provided by COLEP, **(ii)** SUPPLIER's processing, and **(iii)** other components. SUPPLIER shall store and insure processed goods at sole expense.

**9.3.** Tools, models and other materials required for manufacture and delivery of goods/services and provided by COLEP (jointly "**Materials**") shall remain COLEP's sole property. SUPPLIER shall insure any Materials at reinstatement value and return them to COLEP at the latter's request and/or upon termination of their business relationship. If Materials are manufactured or procured by SUPPLIER at COLEP's expense, ownership thereover shall pass to COLEP upon complete payment thereof (at the latest) and the remaining provisions hereof shall apply.

## **10. TERMINATION – REMEDIES**

**10.1.** Without prejudice to any other right or remedy, if SUPPLIER supplies goods/services nonconforming with the applicable requirements or fails to comply with any terms of the present GTC and/or PO, COLEP shall be entitled to: **(i)** terminate the PO; **(ii)** reject the goods/services and return them to the SUPPLIER at SUPPLIER's risk, expense and refund of any paid price; or **(iii)** give SUPPLIER the opportunity to, at SUPPLIER's expense, either remedy any defect in goods/services or supply replacement goods/services, ensuring fulfilment of the PO's terms within a timescale to be specified by COLEP; **(iv)** directly or indirectly, and at the SUPPLIER's risk and expense, carry out all work necessary to render the goods/services compliant with the PO; and **(v)** claim such damages as may have been sustained in consequence of the SUPPLIER's breach or non-compliance.

**10.2.** Termination of a PO shall not affect any of the parties' rights, duties and remedies accrued prior to the date of termination. Termination of a PO due to complete performance does not entitle SUPPLIER to compensation, severance or indemnity resulting therefrom, nor preclude performance of pending obligations or payments awaiting maturity.

## **11. CONFIDENTIALITY – NO PUBLICITY**

**11.1.** SUPPLIER undertakes to keep strictly confidential and not to, without COLEP's prior written consent, disclose any information (irrespective of its form or support) provided by COLEP or obtained by the SUPPLIER for or as a result of the negotiation and/or performance of any PO, notably, without limitation, regarding the goods/services (nature, quantity, price, data, elements, designs, illustrations, drawings, calculations or Materials) or COLEP, its business and customers ("Confidential Information"). Confidential Information shall not include information **(i)** disclosure of is required by law or governmental or judicial order, **(ii)** which fell into public domain otherwise then by SUPPLIER's breach of confidentiality undertakings, **(iii)** lawfully obtained from third parties or **(iv)** independently developed without reliance on Confidential Information.

**11.2.** These confidentiality undertakings shall survive termination of the parties' business relationship for a period of 5 years.

## **12. FORCE MAJEURE**

**12.1.** Neither party shall be liable before the other party for failure or delay to perform its any of its obligations under a PO or the present GTC for the time and to the extent such failure or delay results from circumstances caused by force majeure or beyond the reasonable control or anticipation of the affected party, provided the latter notifies the other party in writing of these circumstances as soon as it becomes aware of the occurrence of a force majeure event and uses all reasonable endeavours to prevent, avoid, overcome or mitigate the effects of such cause. Performance of both Parties' obligations under any PO and/or the GTC shall be suspended as of the date of such notice but not longer than for the period of existence of such cause. Should suspension exceed 30 calendar days as from the notice, the non-affected party may cancel the relevant PO (and any other eventually pending PO) by means of written notice to the affected party.

## **13. MISCELLANEOUS**

**13.1.** The relationship between Colep and Supplier is non-exclusive and Colep shall be entitled to resort to any other Suppliers.

**13.2.** Failure or delay to act or exercise any right, power or remedy under the GTC and/or any given PO shall not be considered a waiver of such right, power or remedy, nor shall any single or partial exercise preclude any other or further exercise thereof.

**13.3.** SUPPLIER may not assign any rights or duties under the GTC and/or PO or subcontract performance thereof without Colep's prior written consent.

**13.4.** Communications between the parties shall be carried out in writing, by registered mail with delivery notice, fax or e-mail to the parties' contacts as identified in the relevant PO and deemed effective on the first business day subsequent to their delivery and/or transmission.

**13.5.** Colep shall, on prior notice to SUPPLIER, be entitled to audit SUPPLIER's premises to verify SUPPLIER's compliance with these GTC and/or any PO, such audit including access to **(i)** SUPPLIER's records and books, which SUPPLIER shall retain for a period of 5 years or such period as otherwise required by applicable law, regulation or locally accepted accounting principles; **(ii)** information containing or reflecting any agreement, term, condition or transaction directly or indirectly relating hereto; and **(iii)** employees, agents or subcontractors of SUPPLIER.

**13.6.** SUPPLIER hereby represents and warrants to COLEP that it: **(i)** agrees, accepts and will comply with COLEP's Ethics Charter available at [www.colep.com](http://www.colep.com), which may be amended from time to time; **(ii)** will promptly report to COLEP any undue financial or any other kind of advantage request it may be proposed in connection with its business relationship with COLEP; **(iii)** upon COLEP's reasonable request, will furnish the latter with information regarding the SUPPLIER's compliance with items (i) and (ii) above.

## **14. GOVERNING LAW – JURISDICTION – DISPUTE RESOLUTION**

**14.1.** The GTC, any PO and any agreements entered pursuant thereto and disputes or claims arising out of or in connection therewith shall be governed, construed and enforced by Portuguese laws, excluding the application of the Vienna UN-Convention on international sale of goods of April 11, 1980.

**14.2.** Any disputes arising out of or in connection with an agreement entered into pursuant to the GTC and any PO shall be irrevocably submitted to the courts of Porto, Portugal.