

Clause 1 - Application

These General Conditions of Purchase shall apply to all acts in respect of the purchase and supply of goods and/or services (the "Work") pursuant to the contract (the "Contract") to which these General Conditions of Purchase are made applicable. Deviations from these General Conditions of Purchase shall only be binding if and in so far as we have given our consent in writing.

Clause 2 - Acceptance of the purchase order by the Seller

Seller shall acknowledge receipt of all our orders and change orders by returning a signed copy of our order or alteration order within 14 days, unless the order specifies another period of time. We are entitled to withdraw the order as long as the Seller has not acknowledged receipt thereof.

Clause 3 - Alterations and additions to the Contract

Alterations and additions to the Contract, including those as to price, shall be binding only if agreed to by us in writing.

Clause 4 - Warranty of quality and properties of the Work

a. The Seller warrants explicitly:

- i. that the Work will be complete in every respect and will be fit for the purpose for which it is intended;
 - ii. that the Work will comply fully with the requirements set forth in all orders, specifications, drawings, calculations and other documents supplied by us, including any timetables for progress and completion;
 - iii. that, unless a different jurisdiction is specified in the Contract, the Work will comply with the laws and regulations of the Netherlands;
 - iv. that to the extent the Work is carried out on a site outside the Seller's premises and/or sites, the Seller shall strictly comply with any applicable laws, regulations or by-laws and with any rules and regulations of our customer or ourselves applicable on that site;
 - v. that the Work will be of good quality and free from defects in design, workmanship and/or materials and that for the execution of the Work new materials and skilled labour will be used or engaged;
 - vi. that, if the Work also consists in making available manpower, the provision of such manpower and the services provided thereby will comply with all applicable legal regulations, the workmanship and skill of such manpower will comply with all agreed upon standards or, if no specific standards have been agreed to, with generally recognised industry standards, and the agreed manpower will continuously remain available throughout the agreed period.
- b. If in the Contract or the attachments thereto reference is made to technical, safety, quality or other regulations not furnished therewith, the Seller shall be deemed to have full knowledge thereof except to the extent that it disclaims such knowledge in writing without delay, in which case we shall inform the Seller about such regulations in greater detail.
- c. If the Seller involves subcontractors in the execution of the Work, it shall ensure that such subcontractors agree in writing to be subject to the same obligations towards the Seller and us as the Seller is subject to hereunder.
- d. Seller warrants that spare parts of the Work and the maintenance required to keep the Work in good condition may be acquired from the Seller by us, or may be obtained by us for a period of 10 years, at the ruling market prices

Clause 5 - Interim inspection, examination and tests

a. We shall be entitled at all times during the execution of the Work to inspect, examine, test, or check the progress of the Work, including any associated matters or works, or to have these activities performed by others on our behalf. The Seller shall, within reasonable limits, provide such assistance, labour, materials, apparatus and instruments as may be requisite for the purpose. The Seller shall grant us and our

agents free access to the place where the Work is being carried out and shall make available accommodation suitable for the interim inspection, examination or test.

- b. In case interim inspections, examinations or tests are to be carried out on the initiative of the Seller, Seller shall notify us in advance in writing of the proposed date of inspection, examination or test in order that, if we so wish, we can attend or be represented at the same. If and to the extent that interim inspections, examinations or tests are to take place on our initiative, the foregoing shall apply mutatis mutandis.
- c. The warranties set forth in Clause 4 hereof shall apply to any interim inspection, examination or test.
- d. The costs of all interim inspections, examinations or tests shall be borne by the Seller, with the exception of the costs of our personnel or agents. If an interim inspection, examination or test as referred to in subsection b. of this Clause cannot take place on the proposed date, or if any interim inspection, examination or test must be repeated, and such delay or repetition is attributable to reasons for which the Seller is responsible we shall be entitled to recover from the Seller the additional costs to which we may have been put thereby and all the costs of subsequent interim inspections, examinations or tests (inclusive of the costs of our personnel or agents). A similar right shall vest in the Seller if and to the extent that the delay or repetition is attributable to circumstances for which we or our customer is responsible.
- e. In the event an inspection, examination or test reveals that the Work is not proceeding in a satisfactory manner or is not at a warranted stage of completion, Seller shall immediately exercise its best efforts to restore the Work to comply with all warranties set forth herein, and shall complete such restoration within any time-limit submitted by us in writing.
- f. Interim inspection, examination or test, or the omission thereof, shall in no way imply acceptance.

Clause 6 - Final inspection or testing, acceptance

- a. No Work shall be deemed accepted until we have provided written confirmation that the Work has passed all final inspections and tests, if any are applicable.
- b. If the Work is subject to a final inspection or test, the provisions of Clause 5 hereof shall apply to any such inspection or test.
- c. If and to the extent that it has been agreed that the Work shall achieve a warranted performance or possess other warranted qualities and the achievement or availability thereof can only be ascertained after erection, assembly or building-in of the Work, then the final inspection or testing of the Work shall take place as soon as the Work or the plant for which the same is intended is ready for that purpose.
- d. If and to the extent that the Contract calls for the supply by the Seller of certificates, erection, maintenance and operating instructions, plans and drawings or other documents, or for the training and instruction of personnel, the same shall form part of the Work. Notwithstanding any confirmation provided pursuant to subsection a. of this Clause, the Work will not be considered accepted until such documents have been made available and such training and instruction of personnel have taken place.
- e. The Seller authorises us to use the Work prior to the acceptance thereof.

Clause 7 - Packaging and delivery

- a. Unless otherwise expressly agreed to in a writing signed by us, all Work shall be delivered to us F.O.B. our place of business (Incoterms 2010)
- b. The Seller shall at its cost provide such packaging and/or protection as is required to ensure that under normal transport conditions the Work will arrive in good condition at the place of destination and can be safely unloaded there. The Seller shall strictly comply with such instructions as we may issue in respect of the packaging and/or protection, provided that such instructions have been communicated

to the Seller in good time. The packaging shall comply with all applicable legal requirements.

- c. The Seller shall strictly comply with our instructions as to the preservation, marking, forwarding, transport insurance and shipping documents.
- d. We shall have the right to refuse delivery of shipments not complying with the requirements as per the preceding subsections.
- e. Seller shall insure and exercise all reasonable care in respect of packaging materials lent by us. Notwithstanding subsection a. of this Clause 7, if and to the extent we accept charges for packaging material, we shall be entitled to return such packaging material to Seller at its risk and expense and to be reimbursed for the same.

Clause 8 - Passing of title and risk

- a. Save as determined otherwise in these General Conditions of Purchase or in the Contract, the title to and the risk of loss of or damage to the Work shall pass to us upon the delivery thereof in the agreed place. If payments are effected before delivery, title (but not risk of loss or damage) shall pass to us in proportion to the amounts remitted at the moment the relevant payment is effected. The interpretation of trade terms, such as f.o.b., c.i.f., etc. as used in the Contract, shall be in accordance with Incoterms 2010 without prejudice to subsections b. and c. of this Clause.
- b. Goods made available by us to the Seller for the purpose of being processed or worked on, or for the purpose of being fitted together with or incorporated in other goods which are not our property, shall remain our property or we shall become the owners of the goods so created, as the case may be. The Seller shall mark such goods conspicuously as our property and bear the risk of loss thereof or damage thereto until the same has been delivered to us.
- c. If the Contract calls for the erection or assembling, or the supervision of the erection or assembling, or the testing or commissioning of goods placed at the disposal of Seller by us, the risk of loss of or damage to such goods shall be borne by the Seller from the moment the same are made available to him until the date of acceptance by us of the Work. If the Seller has undertaken to deliver the goods at the building site and to erect or to assemble them or to supervise the erection or assembling of the same on that site, the risk of loss of or damage to said goods shall continuously be borne by him until the date of acceptance of the Work.
- d. The Seller shall obtain insurance coverage for all risks borne by the Seller herein, and shall provide to us certificates of, the following insurance coverages: (i) worker's compensation insurance with statutory limits and employer's liability insurance with limits of at least €500,000; (ii) commercial general liability insurance having a limit of at least €2,000,000 per occurrence for bodily injury and property damage, including but not limited to products and completed operations liability, owner's and contractor's protective, blanket contractual liability, personal injury liability, and broad form property damage and explosion; (iii) comprehensive automobile liability insurance having a limit of at least €1,000,000 per occurrence for bodily injury and property damage, including but not limited to coverage for owned, hired and non-owned automobiles and contractual liability. This insurance shall be primary for all purposes and shall contain standard cross liability provisions. All insurance policies shall be endorsed to add Buyer as an additional insured, except for workers compensation and employer's liability policies, and shall include waivers of any right of subrogation of the insurers against Buyer, its officers, directors, employees and subcontractors of all tiers.

Clause 9 - Date of delivery

- a. Time is of the essence as to all parts of the Contract and these terms.
- b. If provision is made for liquidated damages on the grounds of a delayed delivery or performance, these liquidated damages shall not waive our right to claim damages under the law. In addition to the aforementioned liquidated damages and damages under the law, we are entitled to require the Seller to meet its contractual obligations or to terminate the Contract.
- c. Except in cases of force majeure of which the Seller shall have given us notice and exercised its best efforts to remedy, if the Seller fails to comply with any terms as to timing, we shall have the right, without

servicing a formal notice of default and without requiring the consent of any Court, to terminate the Contract whether in whole or in respect of the uncompleted part thereof, at our option, and to have the remaining work carried out by third parties at Seller's expense, without prejudice to any other rights we may have.

- d. As soon as circumstances (whether or not the result of force majeure) arise or can be foreseen which impede or may impede, as the case may be, the Seller in fulfilling his obligation to deliver or complete any portion of the Work on the agreed date, he shall notify us thereof in writing without delay, stating the nature of such circumstances, the remedies steps taken by him or proposed to be taken by him and the probable extent of the delay.

Clause 10 - Warranty to remedy defects

- a. Unless a different warranty period is agreed to in writing, the Seller warrants the Work against all defects which may appear or occur for a period of 12 months from the later of the date of acceptance or putting into use of the Work or of the plant for which the Work is intended. The Seller shall remedy such defect at his choice, either by repairing or by replacing the defective Work or any defective part thereof with all possible speed and in any case within such reasonable time-limit as we may fix by written notice.
- b. In addition the Seller shall bear any costs that may have to be made to accomplish the remedial work for which the Seller is responsible pursuant to subsection a. above, including but not limited to the costs to be incurred for mounting and dismounting, transport etc.
- c. If the Seller fails to comply properly or within the time-limit fixed by us with the obligations set forth above, and also in cases of emergency, we shall have the right, upon prior notice to the Seller, to carry out or have carried out the necessary actions at the Seller's risk and expense.
- d. The warranty period set forth in subsection a. of this Clause shall be extended by a period equal to the period during which the Work or the plant for which it is intended, as the case may be, cannot be put to the use intended in consequence of a defect for which the Seller is responsible hereunder. As to any replaced or repaired work, said warranty period will recommence from the date that the repaired or replaced parts are put into use.
- e. The title to, and the risk of loss or damage to parts replaced in pursuance of the preceding subsection a. shall be vested in the Seller as from the date of replacement; he shall remove such parts without delay, unless we request him to make the replaced parts available to us for examination.
- f. The Seller shall bear all risks of loss or damage to the auxiliary equipment and tools used by him in the execution of the Work unless it appears from the circumstances of the case that we have been guilty of gross misconduct.

Clause 11 - Indemnity

- a. The Seller shall indemnify us against all damages, costs, and expenses, including attorneys' fees, resulting from claims from third parties in respect of defects in or otherwise related to the Work or the Contract, including claims resulting from the acts or omissions by Seller or its servants or subcontractors.
- b. If applicable laws require the Seller to be liable for payment of social security contributions, income taxes etc. for his employees, including temporary employees and subcontractors, the Seller shall indemnify us against our liability towards our customer or third parties for nonfulfilment by Seller or his subcontractors of their obligation pursuant to the relevant laws.

Clause 12 - Property, risk and care of auxiliary items, drawings etc.

- a. Any auxiliary items such as drawings, patterns, moulds, dies, gauges or specific equipment required for the execution of the Work, made available by us to the Seller or manufactured or procured by him at our expense shall be, remain or become our property.
- b. The Seller shall keep these auxiliary items in good condition, mark them conspicuously as our property and bear the risk of loss of or damage to the auxiliary items until they shall have been delivered to us.

c. The Seller shall not without our prior written consent use for other purposes, copy or multiply such auxiliary items, nor shall he in any way disclose or surrender them to third parties.

Clause 13 - Assignment of rights and obligations

The Seller shall not assign the Contract or any part thereof or any benefit, obligation or interest therein or thereunder without our prior written consent.

Such consent, if granted, shall not relieve the Seller from any of his obligations under the Contract.

Clause 14 - Cancellation and termination

a. If the Seller does not adequately fulfil his contractual obligations and in case he becomes bankrupt or has applied for a moratorium or commences to be wound up, we shall be at liberty to terminate the Contract in whole or in part without serving a formal notice of default and without requiring the consent of any Court, and we shall not thereby become liable for damages to the Seller and that such cancellation shall be without prejudice to any other rights we may have. Without prejudice to the preceding paragraph, we are entitled at all times to cancel the order in whole or in part. In such a case, we shall only compensate the Seller for the costs he incurred before the actual cancellation, plus a reasonable amount covering overhead costs and loss of profit for the completed portion of the Work.

b. In any of the events referred to in subsection a. above, any debts the Seller may owe us shall become due forthwith and in full.

Clause 15 - Price and payment

Save as provided otherwise in the Contract, the price agreed with the Seller by us shall be firm and binding. Any increase or reduction in work will only be recognised by us, if it has been laid down in writing. Payment shall be net 60 days from date of invoice.

Clause 16 - Compensation

We shall have the right to offset any money obligations owed by the Seller to us against any money obligations we owe to the Seller.

Clause 17 - Industrial/Intellectual property rights

All (intellectual/industrial) property rights to the Work, drawings, specifications, manuals, documentation, samples, software, etc. provided by us to the Seller, or produced by the Seller as a part of the Contract, reside with or accrue fully to us. We are not obliged to pay a separate consideration for these rights and may dispose of them at our will. The Seller shall lend its cooperation in the realization of any and all necessary deeds of transfer (amongst other things, with regard to intellectual/industrial property rights) and herewith, additionally, gives us an irrevocable power of attorney to draw up and sign such deeds on behalf of the Seller.

If the Work consists of the design/modification of software, the Seller shall, on our first request, hand to us at no charge the object code, the source code and all documentation associated therewith. All this shall be provided in such a fashion that we can make effective and immediate use thereof without any further work or cost on our part.

Clause 18 - Infringement of patents, licences etc.

The Seller warrants that the Work does not constitute an infringement of any industrial or intellectual property rights of third parties and shall indemnify us against claims in this respect, save to the extent that such claims have arisen from the use of a design specified by us.

Clause 19 - Secrecy

In the widest possible sense, the Seller agrees to maintain the strictest secrecy towards third parties in respect of all information about us, the Contract, and the Work, including information about instructions, patterns, drawings, schedules, designs and the like, and shall not, without our prior written consent, disclose in any manner the existence of the Contract to third parties.

Clause 20 - Arbitration

All disputes (including those regarded as such by only one of the parties) arising out of or in connection with the Contract or other contracts arising therefrom shall be resolved by binding arbitration, held in The Netherlands pursuant to the Commercial Rules of the Dutch Arbitration Association. We shall appoint one arbitrator and the Seller shall appoint another, and the two arbitrators so selected shall select a third arbitrator. Each arbitrator shall be selected from a list of

arbitrators approved by the Dutch Arbitration Association. The selected arbitrators shall together hear the parties and settle the dispute, awarding such relief, which may include costs and expenses shall in no event include punitive or exemplary damages, as they may deem appropriate.

Clause 21 - Remedies and Survival

Any and all remedies set forth herein shall be cumulative and not exclusive of one another or of any other remedies we may have in equity or at law. Except to the extent the context clearly implies otherwise, all provisions set forth herein (including those as to warranties and indemnification) shall survive any termination of the Contract.

Clause 22 - Applicable law

Except as otherwise specifically set forth herein, the Contract and all contracts arising therefrom shall exclusively be governed by the laws of The Netherlands. The provisions of the Vienna Treaty of April 11, 1980, treatise sheets 1981,84 and 1986,61 are specifically excluded.

Clause 23- Export Compliance

Seller, by accepting these General Conditions, is providing its written confirmation and assurances that none of our property will be provided by Seller to any third party countries or nationals thereof unless authorized in writing by us and the applicable export control laws or regulations, including but not limited to the European Export Compliance Regulations, U.S. Export Administration Regulations and the U.S. International Trafficking in Arms Regulation.

Clause 24 - Anti-Bribery

a. Seller will comply with all applicable laws, regulations, codes and sanctions relating to anti-bribery and anti-corruption including, but not limited to: Local and national laws in the territories in which it operates, The UK Bribery Act 2010, The US Foreign Corrupt Practices Act 1977, The UN Convention Against Corruption.

b. Comply with the Halma plc. Group Code of Conduct relating to bribery and corruption which may be found on the Halma website (www.halma.com).

c. Have in place its own policies and procedures to ensure compliance with this Clause.

d. Ensure that all parties with which it is associated or who are providing goods or services in connection with any contract governed by these Terms (including subcontractors, agents, consultants and other intermediaries) are aware of and comply with the requirements of this Clause.

e. Maintain complete and accurate records of all transactions and payments related to any contract governed by these Terms and, on reasonable request, disclose details of those transactions and payments to the Company.

f. On reasonable request confirm in writing to the Company that it has complied with the requirements of this Clause and, if so requested, allow the Company to verify this compliance by way of an audit of its records.

g. Immediately inform the Company if it suspects or becomes aware of any breach of this Clause by one of its employees, subcontractors, agents, consultants or other intermediaries and provide detailed information about the breach.

h. If Seller breaches this Clause the Company shall have the right to terminate any contract governed by these Terms without notice and with immediate effect and will be in no way liable to Seller in respect of such termination for payment of damages or any other form of compensation.