

# Purchase Terms & Conditions

The Purchase Terms and Conditions (“Terms”) apply to all deliveries of products and services from a party (“Supplier”) to Gram Equipment or its Affiliates (each of which is referred to as “Gram Equipment”). In these Terms “Affiliate” shall mean an entity directly or indirectly controlled by Gram Equipment whether by shares or voting rights. No terms and conditions other than the Terms shall be binding upon Gram Equipment and Supplier unless agreed in writing by both Gram Equipment and Supplier. All terms and conditions contained in any communication which are different from or in addition to the Terms shall not be binding on Gram Equipment unless otherwise expressly agreed in writing by both Gram Equipment and Supplier.

## 1. ORDERING AND PURCHASE ORDER CONFIRMATION

Purchase Orders will be issued by Gram Equipment in writing, sent electronically and will be binding at Supplier’s acceptance in writing, sent electronically. Any modifications of or comments to the Purchase Order by Supplier are binding only, if accepted by Gram Equipment in writing. Supplier’s commencement of the performance of any part of a Purchase Order issued by Gram Equipment will operate as Supplier’s unconditional acceptance of the Purchase Order. A Purchase Order issued by Gram Equipment and accepted by Supplier is hereinafter referred to as a “Purchase Order”. Products and/or services covered by a Purchase Order are hereinafter referred to as “Products”.

## 2. TERMS OF DELIVERY

Delivery of Products shall be made pursuant to the Purchase Order. If the delivery terms are not specified in the Purchase Order deliveries shall be made DDP the ordering Gram Equipment entity. DDP shall be interpreted in accordance with the version of Incoterms valid on the time of Supplier’s acceptance of the Purchase Order. **Gram Equipment is not obligated to accept early deliveries, partial deliveries or excess deliveries.**

## 3. DELAY

Supplier shall use its best efforts to avoid delay in the delivery of Products. If Supplier has reason to believe that it will not be able to deliver Products at the agreed time of delivery, Supplier shall immediately notify Gram Equipment thereof in writing in order to agree the right priorities. For the avoidance of doubt it is outlined that such notice shall not relieve Supplier of its responsibility and liability to deliver on time.

If Supplier does not deliver the Products on the agreed time of delivery Gram Equipment is entitled to liquidated damages as from the agreed delivery date, unless the delay is caused by Gram Equipment. The liquidated damages amount to two (2) percent of the total order sum per week or commenced of the delay. The liquidated damages cannot amount to more than ten (10) percent of the total order sum. The liquidated damages shall fall due for payment at Gram Equipment’s written demand. Part deliveries shall not exempt Supplier from liability pursuant to this provision.

Any delay beyond fourteen (14) days from the agreed delivery date is considered a material delay which entitles Gram Equipment to terminate the Purchase Order as well as any Purchase Order which is related to the delayed Purchase Order.

Supplier’s payment of liquidated damages due to delay does not exclude the right of Gram Equipment to claim compensation for any direct loss in excess of the liquidated damages amount.

This obligation on Supplier to compensate Gram Equipment's loss shall exist irrespective of whether Gram Equipment chooses to terminate the Purchase Order or not. In the event of delay of products Gram Equipment may request Supplier to deliver the products by the fastest means of transport. If Gram Equipment's request is reasonable based on the potential implication on Gram Equipment, Supplier shall meet Gram Equipment's request. Any additional delivery charges in excess of those that would apply for the usual means of delivery shall be borne by Supplier.

## 4. PRICES AND PAYMENT

Unless expressly stated to the contrary, prices stated in a Purchase Order are (i) fixed and firm, (ii) exclusive of VAT (if any), but including all other costs, including, but not limited to taxes, duties, levies, charges, travel costs, expenses, incidentals, etc. and (iii) inclusive of the costs of appropriate packaging according to GE packaging requirements.

**Payment terms are current month plus sixty (60) days from the date of undisputed invoice.** Where products are invoiced, invoicing may take place upon completion of delivery. Where services are invoiced, invoicing may take place only upon finalization and acceptance of services, or on a monthly basis if so specified in the Purchase Order. All invoices shall be in English and state Gram Equipment's order number and the agreed terms of payment. Invoices without this information are not payable and will be returned to Supplier for correction and re-issuance.

## 5. GENERAL REQUIREMENTS FOR INVOICES

All invoices to Gram Equipment A/S and Gram Equipment Italia S.R.L. must be sent directly to: [Vouchers@gram-equipment.com](mailto:Vouchers@gram-equipment.com). Questions should be addressed to: [Ap@gram-equipment.com](mailto:Ap@gram-equipment.com)

All invoices to Gram Equipment Makina San. Tic. Ltd. Şti must be sent directly to: [Turkeyvouchers@gram-equipment.com](mailto:Turkeyvouchers@gram-equipment.com). Questions should be addressed to: [Turkeyap@gram-equipment.com](mailto:Turkeyap@gram-equipment.com)

The invoices must be in PDF format. The PDF must be created directly from a program - we do not accept scanned invoices due to the quality of process. You can download PDF Converter for free. We do not accept paper copies of invoices.

We do only accept one Purchase Order per invoice. We cannot handle the invoice if you bundle the different purchase orders.

### The invoice header must contain:

- The Purchase Order number as stated on our Purchase Order.
- Your supplier ID as stated on our Purchase Order.
- For non-direct where no PO is issued: Full name of the person from Gram Equipment who initiated the purchase and our project number (if indicated).
- Invoice date and payment due date.

**Each item line must contain the following in tabular format:**

- Gram Equipment item number, quantity, unit price, discount percent or discount amount and total price. Your item number may be included before or right after Gram Equipment item number.
- All information must be in the same line and in the same column on every invoice.
- Discount must be provided per line and not as a lump sum.
- We do not accept any fees on the invoice, that is not mentioned on the Purchase Order, besides transport (if relevant as per Incoterms stated on Gram Equipment's Purchase Order).

Requirements related to payment:

- If the invoice does not apply with our minimum requirements the invoice will not be booked and/or paid. A notification email will be sent if your invoice fails to comply with the terms.
- The currency must be according to the Purchase Order.
- Interest and fees related to delayed payments must be invoice separately. In case you invoice as a part of another invoice, the invoice will be rejected.
- If an item on the invoice is missing or not in the agreed quality the whole invoice will not be paid before the dispute is settled.

## **6. CONFIDENTIALITY AND RESTRICTED USE**

Any non-public information, including, but not limited to, drawings, descriptions, specifications and any other documents which Gram Equipment has made or may make available to the Supplier ("Confidential Information") shall remain the property of Gram Equipment and shall be treated as confidential by Supplier and its representatives and must not, without the written consent of Gram Equipment, be copied, reproduced, or transferred to third parties other than Affiliates or be used for other purposes than those intended when the Confidential Information was made available. Confidential Information shall be returned upon Gram Equipment' request.

## **7. WARRANTIES CONCERNING SERVICES**

If Supplier provides services to Gram Equipment Supplier warrants that: (a) Supplier has the requisite expertise, knowledge and skills necessary to perform the services with a high standard of quality and in accordance with the terms and conditions of any Purchase Order; (b) the services will be performed in a workmanlike and professional manner in accordance with high industry standards; (c) Supplier has the right to enter into and fully perform any Purchase Order and Supplier's performance of the services will not violate any agreement or obligation between Supplier and a third party; and (e) all services shall be in conformance with all applicable laws, rules and regulations of the country where the services are performed.

## **8. WARRANTY**

For a period of twenty-four (24) months from the date of delivery Supplier warrants that Products delivered (i) are designed and manufactured in a professional and workmanlike manner; (ii) are fit for any normal or agreed purpose; (iii) are free from defects in design, materials and workmanship; (iv) comply with applicable law; and (v) comply with agreed specifications and requirements.

Supplier shall without undue delay - at Gram Equipment' discretion – credit, repair or replace defective Products at Supplier's cost and risk. Supplier shall reimburse Gram Equipment any documented, direct loss incurred as a result of defective Products including, but not limited to, inspection costs, dismantling and installation cost, freight, import and export duties, charges and taxes.

Defective Products that have been replaced at Supplier's cost shall be the property of Supplier and shall be returned to Supplier at Supplier's risk and cost if Supplier requests so within thirty (30) days from Supplier's receipt of Gram Equipment' complaint.

## **9. SERIAL DEFECTS IN PRODUCTS**

If the same type of defect occurs, within the warranty period of the Products, such defect is considered a "Serial". All such Products delivered to Gram Equipment within the three months' period are referred to as "Serial Products".

Supplier shall without undue delay - at Gram Equipment' discretion - repair or replace Serial Failure Products at Supplier's cost and risk. Supplier shall compensate Gram Equipment any documented loss incurred as a result of a Serial including, but not limited to, project management costs, analysis costs, advertising costs, inspection costs, recall costs, freight, import and export duties, charges and taxes.

Serial Products that have been credited or replaced at Supplier's cost shall be the property of Supplier and shall be returned to Supplier at Supplier's risk and cost if Supplier requests so within thirty (30) days from Supplier's receipt of Gram Equipment' complaint.

## **10. PRODUCT LIABILITY**

Supplier shall defend, indemnify and hold Gram Equipment harmless from all claims and losses arising from personal injury or damage to property, provided that these are caused by defects in the Products. Supplier shall furthermore defend, indemnify and hold Gram Equipment harmless for losses and expenses incurred by Gram Equipment in the course of averting risk for death, personal injury or damage to property caused by Products, e. g. issuing warnings or initiating preventive recall actions.

Supplier shall assume the defense of claims or losses with counsel approved by Gram Equipment, such approval not to be unreasonably withheld or delayed. Gram Equipment may, at its option and expense, be represented by counsel of its choice in any action or proceeding with respect to any such claims or loss. Supplier shall not settle any claim or loss without Gram Equipment's written consent, which shall not be unreasonably withheld or delayed.

If a product liability claim relating to Products is lodged by a third party against one of the Parties, the latter Party shall without undue delay inform the other Party thereof in writing.

Supplier is obliged to let itself be summoned to the court or arbitral tribunal examining claims for damages lodged against Gram Equipment on the basis of damage allegedly caused by a Product.

## 11. INSURANCE

Supplier shall maintain and keep in force adequate business and products liability insurance and products and completed operations coverage. If Supplier delivers products to Gram Equipment Supplier's insurance shall include recall covering such products. The insurance is to be in effect at a minimum for the term of the Parties' business co-operation and for a period of five (5) years hereafter. As proof of such insurance Supplier shall prior to Supplier's acceptance of a Gram Equipment Purchase Order provide Gram Equipment with an insurance certificate. Coverage for injuries to persons or damage to property must be worldwide including USA and Canada, with not less than EUR 2,000,000.00 per injury/damage and not less than EUR 4,000,000.00 per calendar year.

Furthermore, if Supplier delivers products to Gram Equipment Supplier's insurance shall cover liability for damages to or losses concerning objects (including objects belonging to Gram Equipment) that Supplier's products are (i) made part of, mixed with, incorporated in, joint with, used for packing of or in any other way connected with; or (ii) worked up with or used for working up of; or (iii) used for production or working up of or any kind of handling of.

Except for any liability under clauses 5 and 9 above and clause 12 below all claims for consequential losses, loss of profit, loss of goodwill and any other indirect losses are expressly excluded. This limitation shall not apply in the event of (i) willful misconduct or fraud, (ii) gross negligence, or (iii) in case of death or bodily injury.

## 12. SECONDARY DAMAGE

Supplier shall ensure that the Products, or the use or transfer thereof, shall not infringe any intellectual property rights of any third party (including, without limitation, any patent, trademark, industrial design, copyright or license right or trade secret). If claims based on the Products' infringement of intellectual property rights are made by a third party against Gram Equipment and/or Gram Equipment' customers and/or end-users of the Products or Gram Equipment products of which the Products form part, Supplier shall indemnify Gram Equipment for all damages, costs and expenses arising out of or in connection with such claim or infringement. Gram Equipment shall without undue delay notify the Supplier of any such claim and allow the Supplier to either independently plead or to intervene in the proceedings regarding such infringement claim.

## 13. INTELLECTUAL PROPERTY RIGHTS

Should Products be found to infringe the intellectual property rights of a third party, Supplier shall, without cost to Gram Equipment, modify the Products to be non-infringing or shall obtain and maintain such license and rights from the third party as are required for the unrestricted, continuous use of the Products.

## 14. FORCE MAJEURE

Neither party can be held responsible for non-fulfillment of a Purchase Order, provided the non-fulfilling party proves that this is caused by force majeure, including but not limited to labor conflict involving other than Supplier's employees, fire, export and import prohibitions, currency restrictions or other obstructions beyond its control, which could not reasonably have been avoided or limited.

The party intending to claim relief due to force majeure shall, in writing, without delay inform the other party of the obstruction(s) and the implication of this for the fulfillment of the Purchase Order. This party is furthermore obligated loyally to co-operate in mitigating the consequences of a force majeure situation.

In case the specific force majeure situation has not been ceased within three (3) months, the other party is entitled to terminate the Purchase Order by written notice with immediate effect without further liability.

## 15. SUSTAINABILITY

Supplier will in its manufacturing and supply of Products conduct its business with a minimum consumption of raw materials, energy and water, the fewest possible undesirable health, safety and environmental effects and the most effective utilization of natural resources.

## 16. GRAM EQUIPMENT CODE OF CONDUCT FOR SUPPLIERS

Gram Equipment has joined the United Nations' Global Compact initiative, which means that Gram Equipment has agreed to live up to The Ten Principles of the United Nations Global Compact on human rights, employees' rights, the environment and corruption. The Ten Principles are incorporated in the Gram Equipment Code of Conduct for Suppliers available at: <http://www.Gram Equipment.com/about/procurement/supplier- expectations/>

Supplier shall comply with Gram Equipment Code of Conduct for Suppliers in force at the time in question. Supplier's breach of this obligation is considered a material breach of the Purchase Order.

## 17. CONFLICT MINERALS

Supplier shall comply with any applicable law on Conflict Minerals. "Conflict Minerals" means tin, tantalum, tungsten or gold originating from (i) uncertified smelters and refiners sourcing from conflict mines in the Democratic Republic of Congo and adjacent countries under the US conflict minerals rules (section 1502, Dodd-Frank); (ii) uncertified smelters and refiners from other conflict-affected areas under EU conflict minerals rules (EU Regulation 2017/281) or equivalent rules in other jurisdictions, or (iii) suppliers embargoed or sanctioned by authorities or intergovernmental organizations. Supplier shall adopt policies and management systems and exercise due diligence with respect to Conflict Minerals throughout its entire supply chain. At Gram Equipment' request Supplier shall without undue delay upload a populated and validated EICC-GeSI Conflict Minerals Reporting template to a platform designated by Gram Equipment.

The reporting template is available at: <http://www.conflictreesourcing.org/conflict-minerals-reporting-template/>

At the request of Gram Equipment or a third party acting on behalf of Gram Equipment, Supplier shall without undue delay provide written report, certifications or information concerning Conflict Minerals according to Gram Equipment' request.

## 18. GIFTS AND GRATUITIES

All Gram Equipment employees are bound by a corporate standard governing ethics for all employees with contact to suppliers. Supplier may not make any secret payment of commissions of money, substantial gifts, services, dining, entertainment and travels or other similar gratuities or benefits to any employee of Gram Equipment or such employee's family directly or through a third party for the purpose of inducing the employee to do or omit any action or simply to look favorably on Supplier.

Supplier acknowledges that a breach of this provision is considered a material breach of this Agreement and Gram Equipment shall be entitled to terminate this Agreement with immediate effect.

## 19. EXPORT CONTROL AND CUSTOMS

### Export Control Regulations

Supplier shall comply with all applicable national and international (re-) export control regulations. Supplier shall in particular check and guarantee by appropriate measures that:

- (i) There will be no infringement of an embargo imposed by the European Union, by the United States of America and/ or by the United Nations by transfer of Products or related services or by brokering of contracts concerning Products or related services or by provision of other economic resources in connection with those Products or related services, also considering the limitations of domestic business and prohibitions of by-passing those embargos;
- (ii) Products or related services are not intended for use in connection with armaments, nuclear technology or weapons, if and to the extent such use is subject to prohibition or authorization, unless required authorization is provided;
- (iii) The regulations of all applicable Sanctioned Party Lists of the European Union and the United States of America concerning the trading with entities, persons and organizations listed therein are considered.

If required to enable authorities or Gram Equipment to conduct export control checks, Supplier, upon request by Gram Equipment, shall promptly provide Gram Equipment with all relevant information.

### Customs

Supplier must satisfy all requirements of the applicable national and international customs and foreign trade legislation ("Foreign trade legislation"). Supplier must notify Gram Equipment in writing of all data and information that the ordering party needs in order to comply with the Foreign trade legislation in exports, imports and re- exports, in particular, but not limited to: the commodity code according to the current commodity classification for trade statistics and customs purposes based upon the Harmonized System (HS); and the country of origin (non-preferential origin).



If requested by Gram Equipment the following must also be supplied: a certificate proving the non-preferential origin; and supplier declarations of preferential origin or preferential certificates (in the case of suppliers from countries where electronic origin statements do not apply). Upon Gram Equipment' request Supplier shall provide any other foreign trade data with respect to the Products and their components in written form and shall inform Gram Equipment of all changes to such data without undue delay and prior to supply to Gram Equipment.

## 20. DATA PRIVACY

To the extent necessary for carrying out a Purchase Order each Party acknowledges and authorizes global exchange, use and processing of relevant Contact Data by the receiving Party. "Contact Data" means names and business contact details of employees, business contacts persons and representatives of each Party, such as title, name, email address, telephone number, etc., received by the other Party. As Contact Data is regulated by applicable laws on data privacy, each Party shall process and treat Contact Data in accordance with applicable laws, in accordance with specific instructions from the other Party, and in any event in a safe and secure manner preventing unauthorized access, use or disclosure. Each Party will use adequate contractual and technical mechanisms to protect Contact Data.

Unless a special Data Processing Agreement is made, neither Party authorizes any exchange, use or processing of personal data other than Contact Data.

Personal Data of individual contacts of Supplier such as name and business contact details may be processed and stored globally outside of Supplier's country by Gram Equipment, its Affiliates or authorized third party providers. "Personal Data" means any information relating to an identified or identifiable natural person unless defined otherwise in applicable law.

Gram Equipment will use Personal Data to perform its contractual obligations, such as administration of supplier relations and of payment transactions. Where consent is required by law, Supplier hereby agrees to the Personal Data being used and transferred as described above, and acknowledges that Personal Data will be subject to the foreign law of the country where it is being held/server is located. Gram Equipment will use adequate contractual and technical mechanisms to protect Personal Data.

Gram Equipment will keep Personal Data for the duration of the contractual relationship. Where required by mandatory law and provided that the necessary conditions are satisfied, an individual contact of Supplier may as a natural person have the right to access, rectify, inquire about or, object to the processing of the Personal Data.

## 21. SECURITY IN THE SUPPLY CHAIN

Supplier shall provide the necessary organizational instructions and take measures, particularly with regard to the following types of security: premises security, packaging, handling and transport, business partner, personnel and information - in order to guarantee the security in the supply chain according to the requirements of respective internationally recognized initiatives based on the WCO SAFE Framework of Standards (e.g., AEO, CTPAT). Supplier shall protect Products against unauthorized access and manipulation. Supplier shall only deploy reliable personnel for manufacture, packaging, handling and transport of Products and shall obligate its sub-suppliers to take equivalent security measures.

## 22. PARTIAL INVALIDITY

If one or more of the terms and conditions in these Terms or any part of a term is deemed invalid, unenforceable, illegal or inoperable, the validity, enforceability, legality or operability of all further terms and conditions shall not be affected or diminished thereby.

## 23. DISPUTE

Any dispute between the parties arising from or in connection with a Purchase Order shall be settled pursuant to the substantive law of the country where the ordering Gram Equipment entity is situated.

Venue for any litigation related to a Purchase Order shall be the venue of the ordering Gram Equipment entity.

# Contact information

Please contact Gram Equipment for further information

## Head office

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