Trelleborg Group Terms and Conditions of Purchase of Indirect Goods

1. Definitions
   a) “Purchase Contract” means any purchase order, call-off, work order, delivery instruction or similar contractual document agreed or issued by the Parties, these Terms and Conditions and all other documents specifically made part of the Purchase Contract by the Trelleborg.
   b) “Goods” means materials, supplies, and purchases used in the operation of the business, but not directly associated with production.
   c) “Trelleborg” means any subsidiary or affiliate of Trelleborg AB named in the Purchase Contract but not Trelleborg AB.
   d) “Seller” means the contracting party supplying the Goods.

2. Binding Purchase Contract
   a) Purchase Contracts are binding only if they are issued or confirmed in writing by Trelleborg’s Purchasing Department. These Terms and Conditions of Purchase become an integral part of the Purchase Contract between the Parties once the Purchase Contract is accepted by Trelleborg. Any Purchase Contract issued by Trelleborg is limited to and conditional upon Supplier’s acceptance of these Terms and Conditions of Purchase exclusively.
   b) Payments made or acceptance of Goods by Trelleborg is not an acknowledgement of any other conditions than these Terms and Conditions of Purchase or a Purchase Contract between the Parties.

3. Packing, Shipping and Delivery
   a) Seller shall properly pack, mark, and transport the Goods and provide all documentation required by Trelleborg, by the carriers involved and by the authorities of the country of destination.
   b) Unless otherwise specified in the Purchase Contract, Goods shall be delivered DDP Trelleborg’s address (in accordance with the latest version of the INCOTERMS).
   c) Time is of the essence and the agreed dates of delivery are binding.

4. Price and payment terms
   a) The purchase sum for the Goods shall be as agreed in the Purchase Contract.
   b) Unless otherwise stated in the Purchase Contract, the purchase price: (i) is a fixed price and no unilateral price changes are permitted (ii) is exclusive of VAT but inclusive of all other taxes and any duties applicable; and (iii) is inclusive of all storage, handling, packaging and all other expenses and charges of Seller.
   c) Unless otherwise agreed Trelleborg shall pay for the Goods within 60 (sixty) days from the latter of delivery of Goods and the receipt of an undisputed and properly raised invoice.
   d) Invoices must state the name of the Seller, the relevant purchase order number, the period to which the invoice relates and the Seller’s bank account for payment.
   e) If the payment date is not a business day, payment shall be due the next business day thereafter.

5. Inspection and Rejection
   a) Trelleborg reserves the right to inspect the Goods in accordance with requirements of the Purchase Contract issued by Trelleborg from time to time; however, Trelleborg is not required to perform incoming inspections of any Goods, and Seller waives any right to require Trelleborg to conduct such inspections.
   b) Trelleborg may reject and return at Seller’s risk and expense, or retain and correct, Goods that fail to conform to the requirements of the Purchase Contract. Seller will reimburse Trelleborg for all reasonable expenses resulting from rejection or correction of Goods.
   c) Acceptance of Goods delivered shall not constitute acceptance of non-conforming Goods, nor will it limit or affect any rights or remedies of Trelleborg.

6. Changes
   a) Except with Buyer’s prior written approval Seller will not make any change to the Goods.
   b) Trelleborg reserves the right to cancel any undelivered part of the Goods or to request change of the Goods and its delivery, including, but not limited to, the packaging, shipping date, time or place of delivery.

7. Warranties
   a) In addition to any other express and implied warranties provided by law or otherwise, Seller warrants to Trelleborg that it has good and marketable title to the Goods and that the Goods shall be: (i) new; (ii) free and clear of any and all liens and encumbrances; (iii) conform with all specifications, drawings, samples and other descriptions offered by Seller; (iv) free from all defects in design (to the extent designed by Seller), workmanship and materials; (v) be of merchantable quality; (vi) be fit and sufficient for the purposes intended by Trelleborg – to the extent known by Seller;
   b) The warranty period shall be the longer of (a) two years from the date Trelleborg accepts delivery of the Goods, or (b) the warranty period provided by applicable law.

8. Default and Remedies
   Seller shall defend, hold harmless and indemnify Trelleborg from and against any and all direct costs and expenses arising from or in connection with any damages, injuries or product liability claims or demands to recover for personal injury, death, or property damage caused by or arising out of any of the Goods supplied by Seller (regardless of whether such claim or demand
9). Termination
a) Trelleborg may terminate the Purchase Contract in whole or in part by (30) thirty days written notice, or immediately for default.
b) Seller shall be in default if it (i) breaches any warranty or other term of the Purchase Contract; (ii) fails to deliver or threatens not to deliver Goods in accordance with the Purchase Contract; (iii) makes an assignment for the benefit of creditors, or if proceedings in bankruptcy or insolvency are instituted by or against Seller.

10). Insurance
a) The Seller warrants that it has reasonable insurance cover for all general liability and all products liability that may arise in respect of any Goods sold under a Purchase Contract. The limits of such insurance must be at least ten times the contractual value of the Goods under any Purchase Contract.
b) The Seller, on behalf of itself and its insurers, irrevocably waives any right of subrogation against Trelleborg for any liability, cost or expenses asserted by any third party.

11). Set Off
Trelleborg shall be entitled to set off any sums owing by Seller to Trelleborg for any reason whatsoever, against any sums payable by Trelleborg under the Purchase Contract.

12). Limitation of Assignment
The Seller is not entitled to assign, transfer or sub-contract out any of its obligations towards Trelleborg for any reason whatsoever, against any sums payable by Trelleborg under the Purchase Contract.

13). Severability
The Purchase Contract shall be construed so as to comply with all applicable laws. If any provision of the Purchase Contract is found to be incompatible with prevailing legal requirements such provision shall be disregarded and shall not affect the validity of remaining provisions.

14). Force Majeure
a) Neither Trelleborg nor Seller shall be liable to the other for delay or non performance of their obligations under the Purchase Contract which is due to a cause or causes beyond that party’s control (“Force Majeure”). Force Majeure shall include (but not be limited to) Acts of God, civil disturbance, fire, storm, flood, acts of international state, governmental, federal or local authorities, bodies or institutions (“Public Authority”), non availability of shipping or other transport, lockouts, strikes or other trade disputes, or interruption or breakdown of any communication or data processing services or equipment.
b) Upon Trelleborg or Seller (the “Affected Party”) being affected by Force Majeure: (i) the Affected Party shall advise the other party of such Force Majeure in writing as soon as reasonably practicable and shall use reasonable endeavours to mitigate the effect of Force Majeure including, but not limited to, a fair and equitable allocation of any remaining supply of goods available to perform the Purchase Contract; (ii) if the Force Majeure ceases to apply the parties shall resume performance of their obligations hereunder as soon as reasonably practicable after the Force Majeure ceases to apply; (iii) if the Force Majeure continues for more than thirty (30) days Trelleborg (but not Seller) shall be entitled to cancel the Purchase Contract without liability save for any outstanding obligations in respect of Goods delivered to or in the course of delivery to Trelleborg.

15). Limitation of Liability
In no event shall Trelleborg be liable for any indirect costs or losses, for loss of profits, for penalties incurred or for any other indirect, consequential, punitive or other damages or liabilities incurred by the Supplier or any of its affiliates or agents as a result of a termination by Trelleborg of a Purchase Contract.

16). Code of Conduct
The Trelleborg Code of Conduct is available to the Supplier on Trelleborg’s webpage (www.trelleborg.com) and the Supplier acknowledges that they will abide by its terms and shall incorporate them in its business and thus observe the rules of fair competition and non-bribery and otherwise conduct business in accordance therewith.

17). Governing Law and Jurisdiction
a) Unless otherwise agreed the Purchase Contract is subject to the laws of the country of Seller’s domicile. In the event the Purchase Contract is issued to a U.S. based Seller, the laws of the State of Delaware shall govern the Purchase Contract. The UN Convention on Contract for International Sale of Goods (CISG) shall not apply to the Purchase Contract.
b) Any dispute or controversy arising out of or in connection with this Purchase Contract shall if not settled amicably by the parties be submitted to the jurisdiction of the courts of the country of Seller’s domicile.