



GENERAL CONDITIONS OF PURCHASE
OF ARAL LUXEMBOURG S.A.
FOR THE SUPPLY OF GOODS AND SERVICES

Version: 6. September 2018

1. Scope

- 1.1 These General Conditions of Purchase (hereinafter referred to as "**CONDITIONS**") are an integral part of all purchase orders, orders and contracts including all framework agreements, such as quantity and value contracts (hereinafter referred to jointly and singularly as "**Purchase Order**"), which
- a. ARAL Luxembourg S.A.; or
- an affiliated company of ARAL Luxembourg S.A. within the meaning of Article 4(3) of the Grand-Ducal Regulation dated 16 March 2005 on the adaptation of the definitions of micro, small and medium-sized enterprises (*Règlement grand-ducal du 16 mars 2005 portant adaptation de la définition des micro, petites et moyennes entreprises*);
- b. (each of the aforementioned companies referred to hereinafter as "**ARAL**") issues or concludes in its own name or on behalf of third parties with respect to the purchase of goods and/or merchandise (referred to hereinafter jointly as "**Goods**") and/or other services from Luxembourg, provided these Conditions form an integral part of the Purchase Order concerned.
- 1.2 The Conditions also apply to all enquiries of ARAL concerning offers or quotations (referred to hereinafter jointly as "**Offers**") of the contractor (referred to hereinafter as "**Contractor**") and for all future transactions with the Contractor concerning the purchase of goods and/or other services, and in the version valid at the time of the particular transaction.
- 1.3 Any conflicting, additional or other conditions of the Contractor that differ from these are rejected. The latter shall only apply if ARAL has explicitly approved them in writing.
- By contrast, these Conditions shall continue to apply, even if ARAL, aware of conflicting or other conditions of the Contractor that may differ from the Conditions (e.g. as a result of additional regulations), accepts delivery and/or other services from the latter unreservedly.

2. Integral parts of the Purchase Order and their order of priority

The Purchase Order consists of the following elements that complement each other, and claim validity, in the event of contradictions, in the following order of precedence:

- 2.1 the Purchase Order, order or contract document itself (together with their appendices, unless these are listed separately under clauses 2.2 – 2.4);
- 2.2 the minutes of the negotiation (provided they are available and referred to in the Purchase Order, contract or contract document);
- 2.3 these Conditions;
- 2.4 other special and general technical conditions and regulations concerning the subject of the Purchase Order (e.g. DIN standards).

3. Enquiries and purchase orders, Contractor's offers, signed contract, formal requirements, further correspondence

- 3.1 If ARAL requests an offer from the Contractor, the enquiry is binding for the offer made by the Contractor. The Contractor must expressly point out any deviations. The enquiry is binding for ARAL. Offers, drafts, tests and samples are provided by the Contractor to ARAL free of charge and do not impose any obligation on ARAL. In the absence of any agreement to the contrary, no payment or compensation shall be made for visits or for drawing up offers, projects etc.
- 3.2 It is the Contractor's responsibility to familiarise itself with the prevailing conditions on the site and its surroundings before submitting any offer and before starting any work. Net prices excluding VAT shall be offered for the supply of goods and other services.
- 3.3 The Parties must confirm, at least in writing, any Purchase Orders issued or agreed verbally or over the phone and any changes or deviation from the Purchase Order agreed verbally or over the phone, including deviations from these Conditions or from other integral parts of the Purchase Order, for proof and documentation purposes. This does not affect any formal requirements provide for by these Conditions or by law according to the Purchase Order.
- 3.4 If the Contractor has any concerns about the specifications for goods or other services contained within the enquiry or in the Purchase Order, it must notify ARAL of such concerns at least in writing before signing any contract and wait for ARAL to decide whether the specifications will nevertheless be adhered to in light of these concerns. This particularly applies to concerns relating to (i) the suitability of the specified goods and/or other services for normal use or use required by the enquiry or Purchase Order and/or (ii) the compliance of the specifications with statutory, official or professional requirements and with recognised engineering practice. If the Contractor fails to communicate such concerns promptly or fails to wait for ARAL's decision, the Contractor may not plead that the specifications required by ARAL are incorrect.



3.5 Throughout the correspondence with ARAL, the Contractor must quote the full enquiry and Purchase Order number and order date; this also applies to invoices, proof of delivery and performance (referred to hereinafter jointly as "**Proof of Performance**") (e.g. delivery notes) and shipping notes.

4. Payment, prices

4.1 The agreed prices are fixed prices for the period in which the Purchase Order is handled and are exclusive of the statutory VAT rate applicable at the time.

4.2 If payment is not made at a fixed, flat-rate price (but, for example, based on size, at an agreed hourly or daily rate or other unit rates), the Contractor must produce and forward to ARAL detailed evidence of performance, the content and structure of which must be agreed with ARAL beforehand, and which clearly and verifiably show the calculated price. Unless agreed to the contrary, in the case of a time-based account, e.g. at agreed hourly or daily rates, evidence of performance must be provided by means of a structured list showing the days on which the service was provided, the activities carried out on each day and the time spent on theme on each day, together with the total time taken. Unless agreed to the contrary, evidence of performance and the corresponding invoices must be provided on a monthly basis.

4.3 The prices always apply free to the destination stipulated by ARAL (e.g. site, factory, building, petrol station, other delivery/service point) including the costs of dispatch, freight, packaging and insurance, but excluding import duties ("DDU"–Delivered Duty Unpaid–in accordance with the ICC Incoterms 2000). The payments include all the Contractor's expenditure and costs of supplying goods and/or other services (e.g. travel expenses). No subsequent demands of any kind whatsoever shall be accepted.

4.4 Additional services that go beyond the scope of the Purchase Order shall only be paid, if these are ordered by ARAL at least in writing prior to implementation. The unit rates must reflect the pricing structure in the Purchase Order.

5. International Trade Regulations

5.1 The Contractor shall ensure that it and – subject to the provisions in clause 13 below - its sub-contractors comply with all applicable export control, trade embargo and other foreign trade control laws, rules and regulations, including but not limited to the European Dual-Use Export Control Regulation (EC) 428/2009, the United States Export Administration Regulations, the United States International Traffic in Arms Regulations and similar laws of the territory applicable to the PO (together "**Trade Restrictions**"), relating to the performance of its obligations hereunder. Failure by the Contractor and its sub-contractors to comply with applicable Trade Restrictions shall constitute a material breach of the PO. The Contractor shall indemnify and hold harmless ARAL against all claims relating to any failure by it to comply with Trade Restrictions.

5.2 Except as may be otherwise expressly stated in the PO or agreed in writing by the parties, the Contractor shall be solely responsible for applying for and obtaining appropriate governmental authorizations for the export and import of any equipment, software, technology goods or services to or for the benefit of ARAL. Upon reasonable request, ARAL shall provide the Contractor, at no cost to ARAL, with reasonable assistance in determining the application of applicable Trade Restrictions and in applying for necessary authorizations and completing required formalities. ARAL assumes no responsibility or liability for the Contractor's failure to: properly determine applicable Trade Restrictions, obtain necessary authorizations or comply with required formalities.

5.3 The Contractor represents and warrants that it, its affiliates, and its directors, officers, key employees or agents are not subject to restriction under any national, regional or multilateral trade or financial sanctions under applicable trade control laws and regulations.

5.4 The provisions of this clause 5 shall survive the expiration or termination of a PO for any reason.

6. Supplying, viewing, checking and changing the goods and/or other services

6.1 The Contractor shall only employ such qualified staff who have the necessary qualifications and relevant occupational experience (hereinafter referred to as "**Skills**") to supply the goods and/or other services due. Evidence of "Skills" must be provided, if requested by ARAL, in the form of training diplomas, certificates or activity documents.

6.2 ARAL reserves the right to check that the Skills exist by carrying out relevant inspections at the Contractor's or in ARAL's operations.

6.3 In cases where there is justified doubt as to the existence of the Skills among employees hired by the Contractor at ARAL's operations and/or sub-contractors, ARAL reserves the right to have the Contractor release the relevant staff and/or sub-contractor from the tasks at the Contractor's expense and replace with them with suitable staff and/or sub-contractors.

6.4 If the Contractor establishes, when supplying the goods and/or other services under the contract, that changes or improvements to the content and/or scope of the delivery and/or other services appear necessary or appropriate, the Contractor must notify ARAL in writing without delay, detailing the potential cost adjustments and obtaining the decision as to whether the Purchase Order is to be continued in a modified or improved form. ARAL is obliged to obtain a decision without delay.

6.5 ARAL has the right to inspect and check the goods and/or other services provided by the Contractor or have them inspected and checked by a third party. The Contractor has to notify ARAL within a reasonable time upon request as to when and where an inspection and review of the due delivery and/or other services may take place. If ARAL exercises its right of inspection, no rights shall arise therefrom for the Contractor; in particular, such an inspection shall in no way constitute an acceptance of the supply of goods and/or other services by ARAL.

6.6 The Contractor must enable ARAL or third parties appointed by ARAL to carry out the inspection and review without restrictions and shall make suitable facilities and support available to ARAL or to third parties appointed by ARAL.



6.7 ARAL is entitled to demand changes to the supplies of goods and/or services agreed with the Contractor. The Contractor shall inform ARAL without delay should the change affect agreed contractual arrangements, e.g. payment and/or completion date. The parties shall immediately agree the change to the Purchase Order brought about by the change, taking into account any additional expenditure or shortfall in expenditure incurred.

7. Work and product safety, compliance with statutory and official regulations

7.1 The Contractor is responsible, and with respect to any subcontractor it may appoint, for compliance with all relevant work safety and accident prevention regulations and any internal safety regulations at ARAL, with which the Contractor must automatically familiarise itself. ARAL is entitled to terminate the Purchase Order with immediate effect in the event of any serious breaches.

7.2 The Contractor guarantees that all goods it supplies and manufactures and other services it provides

a) meet statutory regulations, official rulings and general decrees, generally accepted engineering practice, work safety and accident prevention regulations as well as the regulations governing technical equipment

b) are provided with the requisite safety equipment, labeling and user instructions, and

c) are created in such a way that users or third parties are protected against all manner of risk when they are used for their intended purpose, in particular that risks of accidents and occupational diseases are excluded.

8. Supply/service deadlines, default

8.1 The deadlines specified in the Purchase Order or otherwise agreed jointly for the supply of goods and/or other services are binding; this also applies to any interim deadlines and dates.

8.2 If the Contractor establishes that an agreed deadline or an agreed date cannot be met for whatsoever reason, it shall notify ARAL thereof without delay, indicating the reasons and the likely duration of the delay in writing.

8.3 ARAL's rights arising from a failure to meet the deadlines or delivery dates set out in the Purchase Order or otherwise agreed are determined by statutory regulations, unless these Conditions state something to the contrary.

8.4 ARAL shall also enjoy the rights provided for in full due to failure to meet the agreed deadlines or delivery dates or due to any other delay in supply and/or performance, if ARAL unreservedly settles the Contractor's invoices; this particularly applies to compensation claims in the event of default on the part of the Contractor.

8.5 The Contractor may only claim that ARAL failed to supply documentation or other intermediate consumption if it has sent a reminder for the documentation or intermediate consumption in writing, setting a reasonable period of grace, and this period of grace has elapsed for reasons for which the Contractor is not responsible.

8.6 If the Contractor were to supply the Goods earlier than agreed, ARAL reserves the right to have the Goods returned at the Contractor's expense. If Goods supplied are not returned, they shall be stored at ARAL until the agreed delivery date at the Contractor's cost and risk. ARAL reserves the right not to make payment until the agreed due date, even in the event of early delivery.

9. Delivery, packaging, place of performance, proof of delivery and performance (e.g. delivery notes)

9.1 The Goods are to be packed in such a way that avoids any damage during transport and that takes account of environmental protection. Any packaging for which a charge has been made must be credited, provided it is reusable, at the full invoice value. The credit note must always be submitted as a single copy, giving the invoice details with which the charge is made. Otherwise the packaging materials shall remain at ARAL for disposal.

9.2 Packages that are supplied and/or used when supplying and/or providing other services using hazardous materials as set out in clause 14.1, or products as set out in clause 14.2 must be identified as follows:

Trade/material name, name and full address including the Contractor's telephone number, hazard pictograms or symbols, hazard and safety information (R and S or GHS statements).

9.3 If descriptions of the material tests have been agreed, they form a key part of the delivery and must be included with the delivery.

9.4 ARAL is not responsible for deliveries of Goods that cannot be accepted due to non-compliance with ARAL's aforementioned specifications. Once accepted, they are stored at the Contractor's risk and expense. ARAL is entitled to establish the content and condition of such deliveries.

9.5 The Contractor is responsible for any costs that are incurred because of a misdirection of deliveries, provided it has accepted the means of transport or is responsible for the misdirection for some other reason.

9.6 The Contractor is only entitled to make part deliveries and/or provide partial services, if ARAL has granted the Contractor this right, at least in writing. In the event of a part delivery of Goods, the Contractor must indicate that this is a part delivery on the delivery note and detail the remaining volume.

9.7 ARAL shall only pay for any additional/surplus deliveries of Goods, provided they are actually consumed or used; otherwise ARAL shall store the over/additional deliveries of Goods for a maximum period of 8 weeks at the Contractor's risk and expense. ARAL is entitled to dispose of the Goods thereafter.

9.8 Place of performance for the particular delivery or other services is the destination indicated and/or otherwise agreed (e.g. place, factory, building, petrol station, other delivery/service point).

9.9 The Contractor must issue ARAL with separate, appropriate and verifiable proof of delivery and/or performance for each Purchase Order for all deliveries and services. When Goods are supplied, an individually numbered delivery note is therefore required as a minimum for each delivery. Proof of delivery and performance must show the date and



the number of the Purchase Order to which it refers. They shall reflect the content and structure of the Purchase Order and have a clear structure; in particular, it must be possible to assign the delivery or performance items clearly to the items on the Purchase Order (naming the Purchase Order item for each delivery or service item). They may not include any items other than those in the Purchase Order. Proofs of delivery and performance must clearly designate the type and degree (e.g. quantity, scope) of the delivery or performance, the particular delivery and performance date and the particular place of delivery or performance. The proofs of performance for any services not carried out for a fixed flat-rate price shall also meet the requirements as set out in clause 4.2.

- 9.10 Any incorrect proof of delivery that fails to satisfy these Conditions shall be regarded as not having been issued. ARAL reserves the right to withhold all payments that relate to deliveries and/or performance until the relevant proper proofs of delivery that satisfy the Conditions are available. This shall not affect other conditions regarding the due date and enforceability of the payment claims concerned.

10. Transfer of risk and ownership, acceptance

- 10.1 The Contractor shall bear the risk of any loss or damage until the contractual Goods are actually received at the point of destination indicated and otherwise agreed in the Purchase Order.

The risk of loss or damage shall only pass to ARAL after written acceptance by ARAL for deliveries of Goods, for the installation or composition of which the Contractor is responsible.

- 10.2 Ownership of the Goods (and – in the case of the provision of other services – of the materials) shall pass to ARAL upon delivery. Goods and/or materials are specifically not delivered with a retention of title. If ARAL already pays for the delivery and/or other services in advance, ownership of the Goods and materials shall pass to ARAL upon payment.
- 10.3 If acceptance of the delivery and/or other services is included based on the Purchase Order or the law, the Contractor shall request this from ARAL in writing. An acceptance report shall be issued in writing and signed by the parties. A signed proof of delivery shall not replace acceptance. If part deliveries have been agreed, separate acceptance is required for each part delivery.

11. Invoicing, due date

- 11.1 Unless otherwise agreed, original invoices should only be sent out once the agreed delivery and/or other service has taken place to the invoice address given in the Purchase Order and separately for each Purchase Order. Unless explicitly agreed to the contrary, no original invoices may be included with the supply of Goods.

- 11.2 Invoices shall show the number and date of the Purchase Order to which they refer. They shall reflect the content and structure of the Purchase Order and have a clear structure; in particular, it must be possible to assign the delivery or performance items clearly to the items on the Purchase Order (naming the Purchase Order item for each delivery or service item). They may not include any items other than those in the Purchase Order. Invoices may not contain any items other than those in the Purchase Order.

- 11.3 Invoices shall also meet the statutory requirements. In particular, they shall show the VAT separately in accordance with the applicable legal requirements and include the details and satisfy other preconditions that are required based on the applicable statutory regulations (currently the revised VAT legislation in particular dated 12 February 1979), EU Directives and administrative instructions for claiming input tax.

- 11.4 Invoices for part deliveries and/or services shall be described as partial invoices. Final invoices shall also be designated as such; the same applies to the last partial invoice.

- 11.5 Any incorrect proof of delivery that fails to satisfy these Conditions shall be deemed not to have been issued. ARAL reserves the right to withhold all payments that relate to deliveries and/ other services until the relevant proper proofs of delivery that meet these Conditions are available. This shall not affect other conditions regarding the due date and enforceability of the payment claims concerned.

- 11.6 Subject to other arrangements in the Purchase Order, payment of the Contractor's invoice shall be due within

30 days after receipt of invoice net

provided (i) the invoice meets the requirements according to clause 11.1 to 11.4, (ii) the Goods have been received in full at the point of destination, and the other services have been provided in full, and (iii) acceptance has been carried out, provided this is legal and stated in the contract.

- 11.7 Acceptance of early deliveries is based on the due date of the related payment claims based on the agreed delivery date.

- 11.8 If the invoiced Goods arrive on a date later than that stated in the invoice, the invoice date shall be deemed to be the date on which Goods were received.

12. Business Policy ("Code of Conduct") / Business and Human Rights / Bribery, Corruption and Money Laundering

- 12.1 The Contractor acknowledges the principles of ARAL's business policy set out in ARAL's "Code of Conduct" and undertakes to adhere to, and act consistently with, these principles in connection with the consummation and performance of the PO. The Contractor shall submit its sub-contractors to these duties in the same way. ARAL's Code of Conduct can be found at:

<http://www.bp.com/codeofconduct>

- 12.2 The Contractor confirms that it has carefully reviewed the *BP Business and Human Rights Policy* which is available at:



<https://www.bp.com/content/dam/ARAL/pdf/sustainability/group-reports/ARALHumanRightspolicy.pdf>

In connection with the Contractor's performance of the PO and consistent with the policy, the Contractor shall conduct its business in a manner that respects the rights and dignity of all people and internationally recognised human rights, including without limitation:

- a) not employing, engaging or otherwise using forced labour, trafficked labour or child labour; nor engaging in or condoning abusive or inhumane treatment of workers;
- b) providing equal opportunities, avoiding discrimination and respecting freedom of association of workers, in each case within the relevant national legal framework; and
- c) mitigating or avoiding adverse impacts to communities arising from the Contractor's activities to the extent practicable.

12.3 The Contractor acknowledges that ARAL exercises a zero-tolerance policy in terms of bribery, corruption and money laundering. It shall therefore observe all the laws and regulations against corruption, bribery and money laundering that apply to it and ARAL in connection with the Purchase Order. Within this framework the Contractor guarantees that neither it nor any of its owners, directors, senior members of staff, employees or other persons it appoints, such as vicarious agents, trade representatives or other intermediaries shall make, offer or promise payments when signing and carrying out the Purchase Order, including so-called "Facilitation Payments", or grant financial or other unreasonable incentives of any kind whatsoever, which are or could be construed as unlawful practice or bribery (hereinafter referred to jointly as "**Benefits**"), be these directly or indirectly to third parties, e.g. private individuals, trading organisations, office holders or to those specifically committed to public service within the meaning of Article 1 no. (9) and (10) of the revised law dated 12 November 2004, acting to combat money laundering and the financing of terrorism (loi du 12 novembre 2004 relative à la lutte contre le blanchiment et le financement du terrorisme) and article 246 ff of Luxembourg's *Code pénal* (hereinafter referred to as "**Public Figures**"), political parties, representatives of a political party or candidates for public office (hereinafter referred to jointly as "**Beneficiaries**"), or accept a promise of payments from such Beneficiaries to effect public or private transactions or decisions in connection with the Purchase Order (hereinafter referred to overall as "**Anti-corruption Obligations**"). "Facilitation Payments" are understood to mean payments that are not legally required or other payments to a Public Figure with the intention of influencing such a Public Figure to speed up or carry out an official act, to which there is an entitlement in principle under the applicable law.

12.4 The Contractor is obliged to notify (a) ARAL in detail about any breach of the Anti-corruption Obligations in connection with the Purchase Order without delay in writing, (b) to ensure and oversee compliance with the Anti-corruption Obligations and (c) to allow ARAL, in the event of a breach of the Anti-corruption Obligations, to have all books and records in connection with the Purchase Order and the Anti-corruption Obligations examined by a person professionally obliged to maintain secrecy and appointed by the Contractor (e.g. auditor) for a possible breach of the Anti-corruption Obligations and to have copies made thereof. If the audit should reveal that the Contractor has breached the Anti-corruption Obligations, ARAL shall make a claim for reimbursement of any auditing costs it has had to bear.

12.5 In the event that ARAL has justifiable grounds to suspect that the Contractor has breached the obligations arising from this clause 12, ARAL is entitled, notwithstanding other rights, to withdraw from the Purchase Order or to terminate a continuing obligation based on the Purchase Order with immediate effect or to withhold any payments or any services due.

13. Sub-contractors and employment of staff

13.1 Employment of sub-contractors within the meaning of the law dated 23 July 1991 governing the activities of sub-contractors (*loi du 23 juillet 1991 ayant pour objet de régler les activités de sous-traitance*) and/or contract staff within the meaning of Article L.131-1 ff of Luxembourg's Labour Code (*Code du travail*) requires ARAL's prior written consent. The Contractor shall impose all obligations on the sub-contractors and on contract staff whom it has accepted from ARAL and shall ensure their compliance with the same.

13.2 The Contractor shall impose a commitment on the sub-contractors in the sub-contractor agreement to hand over to the Contractor upon request the latest version of the requisite documents from the tax authorities, the responsible social security institutions and the trade body and, if necessary, any work permits that may be required, for submission to ARAL. The Contractor shall furthermore ensure that the sub-contractor's employees identify themselves as the Contractor's sub-contractors to specialist staff appointed by ARAL (health and safety, security etc.) when they access ARAL's operations and sites.

13.3.1 The Contractor ensures and points out, if asked to do so by ARAL, that

- a) the staff employed at ARAL's operations/facilities by it or by its sub-contractor are legally employed within the scope of tax and social security regulations;
- b) it properly meets its payment obligations to the tax authorities and social security institutions;
- c) any wage and statutory entitlements of the staff employed are met with respect to minimum wage/salaries (including the index);
- d) all statutory conditions on the ban on the illegal employment of staff and to avoid clandestine employment are met, e.g. article L.571-1 ff of the Luxembourg Labour Code (*Code du travail*) (e.g. submission of any work permits required);
- e) all statutory obligations with respect to implementing the contract and to any staff whom it or its sub-contractors shall employ are met at all times.



13.4 If the Contractor violates its obligations under clause 13.1, 13.2 or 13.3, ARAL, notwithstanding its other rights, shall be entitled to withdraw from the Purchase Order and/or to terminate a continuing obligation based on this Purchase Order with immediate effect and/or to demand compensation instead of performance.

14. Materials and preparations with hazardous properties

14.1 When supplying goods and other services using a material, mixture or products based on the Ordinance (EC) no. 1272/2008 (CLP Regulation) or a hazardous material, in particular in accordance with (i) Article 2 of the revised law dated 15 June 1994 on the classification, packaging and labeling of hazardous materials (*loi modifiée du 15 juin 1994 relative à la classification, l'emballage et l'étiquetage des substances dangereuses*), (ii) article 2 of the revised law dated 3 August 2005 on the classification, packaging and labeling of hazardous preparations (*loi modifiée du 3 août 2005 relative à la classification, à l'emballage et l'étiquetage des préparations dangereuses*), (iii) all subsequent and other regulations concerning hazardous materials (hereinafter referred to overall as "**Hazardous Material**" and "**Hazardous Materials Regulations**"), the Contractor shall observe the following:

a) ARAL shall always provide up-to-date safety data sheets in German (with a revision that dates back no further than 1 year) in duplicate for all hazardous materials, initially when the contract is signed. The safety data sheet must include the classification as per the CLP Regulation for hazardous materials with effect from 1.12.2010. ARAL shall send an up-to-date safety data sheet in duplicate in the event of any changes.

b) ARAL or the co-ordinator notified by ARAL in accordance with Article 3 ff of the Grand-Ducal Regulation dated 27 June 2008 on the minimum health and safety regulations that have to be implemented on temporary or mobile building sites (Règlement grand-ducal du 27 juin 2008 concernant les prescriptions minimales de sécurité et de santé à mettre en oeuvre sur les chantiers temporaires ou mobiles) or other applicable health and safety legislation must be automatically presented with the operating instructions in accordance with the regulations on hazardous materials used by the Contractor and the necessary risk assessment before and after any work starts.

14.2 If the Contractor supplies a material, a preparation or a product as defined by Article 3 of the REACH Regulation (EU) no 1907/2006 (REACH-VO) (hereinafter referred to jointly as "**Products**"), the following must be observed:

a) The Contractor guarantees that the products meet the requirements of the REACH REGULATION in full. The Contractor guarantees, in particular, that the products have been registered within the applicable deadlines.

b) Notwithstanding the additional obligation according to clause 9, a current data sheet must be enclosed with the delivery as set out in clause 14.1 a) and made available to ARAL.

14.3 Otherwise full responsibility for meeting the relevant laws and ordinances (in particular REACH Regulation, regulations on hazardous substances, Prohibited Chemicals Ordinance, Technical Rules for Hazardous Materials (TRGS), trade rules and regulations) shall lie with the Contractor for supplying goods and/or other services that involve hazardous substances and/or products.

15. Compliance with REACH Regulations

15.1 Supplier warrants and represents that it has fully registered all substances contained within the Goods which require registrations (to support identified uses as notified by ARAL) in accordance with Regulation (EC) No. 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") (the "REACH Registration"). For the purposes of this Clause, registration of substances within Goods supplied as intermediates shall not be considered full registration unless otherwise agreed with ARAL.

15.2 Supplier warrants and represents that all supplies of the Goods during the Term will be compliant with REACH and Regulation (EC) No. 1272/2008 of the European Parliament and of the Council of 16 December 2008 on Classification, Labelling and Packaging of substances and mixtures ("CLP").

15.3 Supplier will ensure that once registered, all substances contained within the Goods which require REACH Registration continue to have full registrations in accordance with the provisions of REACH.

15.4 Supplier will keep ARAL regularly informed of any changes in the REACH Registration details of any of the substances contained within the Goods.

15.5 If reasonably requested by ARAL for the purpose of legal compliance obligations (and subject to ARAL maintaining the information as confidential in line with clause 21 (Confidentiality) and to the extent that onward disclosure is not required to meet its legal compliance obligations) Supplier shall provide full details of the REACH Registration of any of the substances contained within the Goods.

15.6 Supplier will ensure that the Safety Data Sheet provided to ARAL accurately reflects the REACH Registration and complies with the Safety Data Sheet content requirements of REACH.

16. Quantity and quality control, notification of defects

16.1 Goods are always accepted subject to a quantity and quality control.

16.2 The statutory inspection and complaints procedures shall apply (Article 1641 ff, and, in particular, Article 1642 and 1648 of the Luxembourg *Code civil*) with the following terms in the case of a reciprocal trade transaction on purchasing a supply of Goods or the delivery of movable items to be manufactured or produced:

a) ARAL's duty to examine is essentially limited to defects that are clearly evident in an incoming goods inspection during an external examination and during a random quality control. To what extent further controls are feasible based on correct business practice depends on the circumstances in the particular case.



b) The complaint (notification of defects) is deemed to be without delay and punctual for defects that come to light in the spot-check procedure for defects as part of the incoming goods inspection or quality control, if it is dispatched within two (2) weeks of the delivery.

c) This does not affect the duty to give notice of defects for any (concealed) defects that are not immediately obvious and only come to light at a later date. The complaint here is deemed to be without delay and prompt if it is sent off within two (2) weeks of the defect being discovered.

16.3 In the event of weight discrepancies, the weight established by ARAL during the initial examination shall apply, unless the Contractor is able to prove that the weight determined by ARAL is incorrect. The same shall apply to any differences in quantity.

17. Rights regarding defects, warranty claims

17.1 The Contractor guarantees that all supplies of goods and/or other services are made in accordance with the Purchase Order and, in particular, are free from any legal and material defects.

17.2 This does not affect the Contractor's further warranties in accordance with clause 7.2 that apply in addition.

17.3 The Contractor's responsibility for defects shall also encompass the parts of Goods manufactured or supplied and other services provided by its sub-contractors.

17.4 ARAL is entitled to the contractual and statutory claims and other rights without restriction in the event of defects in the Goods and/or other services supplied.

17.5 The actual and designated location of the defective item shall be the place of performance for any claims for supplementary performance.

17.6 The Contractor is obliged to bear all expenditure for the purpose of supplementary performance.

17.7 ARAL is entitled to withhold payment of any monies pro rata until proper supplementary performance has been carried out.

17.8 If the Contractor fails to carry out supplementary performance, ARAL is entitled to rectify the defect itself or arrange for it to be rectified by a third party or to a subsequent delivery at the Contractor's expense after a period of grace has come to an end, ARAL having notified the Contractor of the period of grace by registered letter. No judicial authorisation in accordance with Article 1144 of the Luxembourg *Code civil* is necessary in this case. The same shall also apply in an emergency due to imminent danger and the Contractor cannot be contacted in time or is not in a position to carry out supplementary performance promptly. The Contractor shall be informed of this without delay. In this case, ARAL may rectify the fault itself or have it rectified by third parties or is entitled to a subsequent delivery at the Contractor's expense without granting a period of grace. This shall not affect ARAL's other rights, for example, to compensation of any further damage caused by the defect.

17.9 In the event of a withdrawal because of a defect, ARAL is entitled to continue to use the Goods supplied or other services of the Contractor free of charge until a suitable replacement has been acquired. In the event of a withdrawal, the Contractor shall bear the costs of taking back the Goods supplied or other services, including dismantling/removal and return freight and shall be responsible for disposal. The conditions of this clause 17.9 shall apply accordingly, if ARAL demands compensation in lieu of performance due to a defect.

17.10 ARAL's claims due to material defects have a limitation period based on the statutory regulations in accordance with the following conditions and specifically Article 1648 of the Luxembourg *Code civil*:

a) The limitation period for claims for defects is extended to include the period between notification of the defect and supplementary performance. The point in time at which ARAL receives the Contractor's relevant statement is decisive if the Contractor refuses to carry out supplementary performance.

b) In the event of subsequent delivery or newly manufactured product, the limitation period starts when the Goods subsequently delivered are received at the place of delivery for subsequent performance or, if acceptance is required, acceptance of the newly manufactured work afresh.

17.11 ARAL shall also enjoy the rights provided for in full due to defects or other delay in supply and/or performance, if ARAL unreservedly settles the Contractor's invoices; this particularly applies to any compensation claims made by ARAL.

18. Contractor's general provisions regarding liability

18.1 Unless regulated to the contrary in these Conditions or otherwise in the Purchase Order, the statutory provisions in this regard shall apply to the Contractor's liability.

18.2 If the Contractor is obliged to pay compensation to ARAL on these grounds, it shall also compensate ARAL for any expenditure and costs that ARAL incurs to reduce, avert and/or rectify the damage and, in the event of a defect in the Goods supplied or other services provided, to clarify or rectify the defects; this shall also apply to ARAL's internal expenditure and costs, such as associated staff costs and/or travel expenses.

19. Termination, withdrawal and bankruptcy

19.1 ARAL is entitled at all times to terminate contracts for work and materials for non-fungible items, observing a reasonable notice period. Termination shall be in writing, indicating the overriding reason for termination and the notice period. If the contract is terminated for good cause, termination shall take effect immediately and without any period of notice. The following shall apply, notwithstanding the consequences of termination regulated by law: if terminated by ARAL for a reason for which the Contractor is responsible, the Contractor shall only be paid for individual services provided up to the point at which termination is received and which have been used by ARAL. This



shall not affect ARAL's rights to compensation. The Contractor shall pay compensation for any additional expenditure.

19.2 ARAL may withdraw from the Purchase Order for deliveries at any time before handover of the delivery by giving a reasonable period of notice. In the event of a withdrawal for good cause, this shall come into effect immediately and without taking account of any period of notice. In these cases, the regulation of the aforementioned clause 18.1 shall apply accordingly in terms of the Contractor's right to remuneration; ARAL shall acquire ownership to any part deliveries already received and to any articles of sale the Contractor has already manufactured or procured, delivery of which ARAL requires.

19.3 If a temporary administrator is appointed, or insolvency proceedings are initiated over the Contractor's assets, ARAL is entitled to withdraw from the Purchase Order, in full or in part, and/or to terminate a continuing obligation based on the Purchase Order with immediate effect. The legal consequences in accordance with clause 18.1 and 18.2 shall apply accordingly in this case.

20. Insurance

The Contractor must maintain liability insurance protection for any liability claims from ARAL with the conditions usual for the sector and minimum cover of €1.5 million per insured event for the period of the contractual relationship, including warranty periods and limitation periods (e.g. claims for defects). The Contractor shall provide proof of the insurance to ARAL upon request.

21. Confidentiality

The following shall apply in addition to any other confidentiality agreements that may exist between the parties:

21.1 The Contractor is obliged to treat in confidence all information that it receives for preparing or processing the Purchase Order. This obligation shall continue to apply even after the business relationship has come to an end; it shall end 20 years after the business relationship ends. It shall not apply to information that is or becomes publicly accessible, or of which the Contractor has become aware without breaching its own or third-party obligation to maintain secrecy (e.g. from third parties without any confidentiality reservation or through its own independent efforts).

21.2 All documents handed over by ARAL (e.g. plans, drafts, specifications, technical drawings) shall remain the property of ARAL. They may not be made accessible to third parties and shall be returned to ARAL complete and without request after the Purchase Order has been carried out. Any specialists and sub-contractors not hired by the Contractor shall not be regarded as third parties, if they have undertaken a similar obligation to the Contractor to handle matters in confidence.

21.3 The Contractor is liable to ARAL for all damage for which it or its performing or vicarious agents are responsible and which ARAL suffers as a result of a breach of these obligations to maintain secrecy, unless the Contractor is not responsible for the breach of the obligation to maintain secrecy.

22. User rights, protective rights

22.1 ARAL has user all rights to all diagrams, drawings, calculations, methods of analysis, formulations and other works that the Contractor may produce or develop in connection with signing and carrying out the Purchase Order.

22.2 The Contractor guarantees that all deliveries and/or services are free from third-party protective rights (in particular patents, trademarks, copyright and other protective rights), and that no third-party protective rights are breached specifically due to the delivery and use of the items supplied and other services.

22.3 The Contractor shall discharge ARAL from claims by third parties for any breaches of protective rights and shall bear all costs that ARAL may incur in connection with this, if the Contractor has breached its obligations to ARAL, as set out in clauses 22.1 and/or 22.2. This indemnification obligation does not apply if the Contractor can prove that it is not responsible for the breach.

22.4 Notwithstanding other rights, ARAL has the right to choose whether, at the Contractor's expense, to obtain approval to use the items supplied and services from the legitimate party or to withdraw from the Purchase Order and/or to terminate a continuing obligation based on the Purchase Order with immediate effect.

23. Publications, advertising

The Contractor is prohibited from using, on its own or in conjunction with third parties, any information, items, photographs, illustrations or any other materials connected with the Purchase Order in publications or for advertising purposes without ARAL's prior consent in writing. This shall also apply to the use of protective rights (in particular patents, trademarks, copyright and other protective rights) of ARAL. Consent must be obtained for every single use.

24. Restriction to offsetting and withholding rights

The Contractor only has an offsetting and withholding right against ARAL with respect to its counterclaims that ARAL has acknowledged or which are legally recognised.

25. Ban on assignment and transfer

No party is entitled to assign any rights and obligations from the Purchase Order or parts thereof to third parties without the prior consent of the other party. This excludes transfers by ARAL to an affiliated company of ARAL Luxembourg S.A. within the meaning of Article 4(3) of the Grand-Ducal Regulation dated 16 March 2005 on the adaptation of the definitions of micro, small and medium-sized enterprises (*Règlement grand-ducal du 16 mars 2005 portant adaptation de la définition des micro, petites et moyennes entreprises*);



26. Re-organisations or change to the controlling interests at the Contractor's

The Contractor must inform ARAL in writing without delay of any re-organisations that affect the Contractor, in particular in accordance with the revised Luxembourg law dated 10 August 1915 on trading companies (*loi modifiée du 10 août 1915 sur les sociétés commerciales*) and comparable legal regulations of other legal systems e.g. mergers, spin-offs and changes in legal form, and about any processes by which a third party acquires a controlling interest (within the meaning of Article 4(3) of the Grand-Ducal Regulation dated 16 March 2005 on the adaptation of the definition of micro, small and medium-sized companies (*Règlement grand-ducal du 16 mars 2005 portant adaptation de la définition des micro, petites et moyennes entreprises*). In this event, ARAL reserves the right to withdraw from any purchase orders still not completed in full and/or to terminate any continuing obligation based on the Purchase Order with immediate effect, if it were deemed unreasonable to expect ARAL to abide by the Purchase Order or by the continuing obligation on which the Purchase Order is based until its agreed end or until the end of a period of notice that provides for its end, taking due account of all the circumstances in the specific case and considering the interests of both parties. This shall particularly apply if a direct competitor of ARAL were to acquire a controlling influence over the Contractor.

27. Digital Security

The Contractor shall protect ARAL's data at all times and will implement relevant industry best practice information security protections and controls, including operating information security management practices, relevant technical controls and ensuring that the Contractor's personnel adopt good information security behaviours. The Contractor agrees that it shall immediately notify ARAL of: (i) any actual, threatened and/or suspected unauthorised or unlawful access to, processing, destruction, damage or disclosure of ARAL's data; and/or (ii) any accidental loss of ARAL's data. If an incident referred to in this clause 26 occurs, the Contractor shall provide all necessary assistance as requested by ARAL with notifications that may be required under applicable law.

28. Data protection

28.1 ARAL points out that ARAL will process any personal data, which ARAL receives from the Contractor according to the EU General Data Protection Act (GDPR) and the Luxembourg Data Protection Act (LDSG). The processing (including transfer to third parties) will take place only if and to the extent it is necessary for the creation, execution or termination of a contract, for compliance with a legal obligation or permission, or if the Contractor has given consent to the processing.

28.2 If ARAL engages the Contractor for the processing of personal data on behalf of ARAL or if personal data is transferred to him for other purposes, the Contractor hereby undertakes to comply with all applicable legal provisions, in particular data protection laws, and if required by such provisions to enter into an additional agreement with ARAL in that regard (e.g. a contract pursuant to Article 28 GDPR in case of contract data processing by the Contractor on behalf of ARAL or an arrangement pursuant to Article 26 GDPR in case of joint controllership of the Contractor and ARAL).

29. Unlawful restrictions of competition

If the Contractor is guilty of involvement in agreements, decisions or approved behavioural practices that aim to, or bring about a barrier, restriction or distortion of competition (e.g. price agreements, division of territory) or it culpably breaches other anti-trust regulations, and this (also) affects the Purchase Order, the Contractor is obliged to pay ARAL flat-rate compensation of 15% of the net total that ARAL owes the Contractor based on the Purchase Order, unless the Contractor is able to prove the loss was lower or there was no loss whatsoever. This does not affect contractual or legal claims by ARAL, in particular any claims for abatement or injunctive relief, and any entitlement to compensation for damages above and beyond this. In terms of breaches against anti-trust laws, the Contractor is also responsible for the actions of any persons acting on its behalf or that it has appointed.

30. Place of jurisdiction

If the Contractor is a businessperson within the meaning of the commercial code (*Code de commerce*), a legal entity under public law or special fund under public law, Luxembourg City shall be the sole place of jurisdiction for all disputes that may arise directly or indirectly from the contractual relationship. However, ARAL reserves the right to make its claims at any other permissible place of jurisdiction.

31. Severability

Should individual sections of these Conditions be legally unenforceable, this shall not affect the validity of the remaining provisions. The ineffective provision shall be replaced by an effective provision that is as close as possible to the intended economic purpose.

32. Contract language/ applicable law

Luxembourg law shall apply to the exclusion of international private law and to the exclusion of the United Nations Convention on the International Sale of Goods dated 11.04.1980. The contract language is German. The German wording shall take precedence should the parties also use another language.