

## GENERAL PURCHASING CONDITIONS

### 1. GENERAL

1.1 This General Purchasing Conditions shall apply to the supply of products and/or provision of services by Vendor to Buyer, as indicated in the Purchase Order. This General Purchasing Conditions together with the Purchase Order will form the "Agreement".

1.2 In the event that Buyer does not receive Vendor's confirmation within five (5) working days from dispatch of the Purchase Order, the Purchase Order shall be deemed to have been accepted by Vendor. Vendor may only reject the Purchase Order if Vendor can substantiate that the Purchase Order deviates from the terms and conditions of this Agreement.

1.3 Buyer makes no commitment whatsoever as to procuring a certain volume under this Agreement, unless otherwise expressly stated in the Purchase Order.

1.4 Other than as explicitly stated in this Agreement, the rights and obligations performed under this Agreement are not performed exclusively for the benefit of one of the parties.

### 2. DELIVERY

2.1 Vendor agrees to deliver the products and/or services to Buyer in accordance with the Purchase Order (including any specification, as applicable) and on the agreed delivery date.

2.2 Vendor shall prepare and pack the products to prevent damage and deterioration. When doing so, Vendor must ensure that all packaging of products is made in a manner to reduce environmental impact by e.g. optimizing material and transport efficiency, minimizing litter, using recycled materials and eliminating hazardous substance in any packing material. Charges for preparation for shipment (including packing and crating) are included in the price.

### 3. DELAY

3.1 Vendor shall immediately notify Buyer in writing of any anticipated delay, stating the cause and remedial actions taken by Vendor to mitigate the delay. If the products and/or services are not available on the delivery date, Vendor shall be in delay of delivery.

3.2 Vendor shall pay to Buyer liquidated damages in the amount of two (2%) per cent of the total price payable for the delayed products and/or services, per each commenced working day of delay, up to a total maximum penalty of thirty percent (30%) of the total price payable for the delayed products and/or services.

3.3 Should delivery of ordered products and/or services be delayed more than thirty (30) days, Buyer shall be entitled to cancel, in whole or part, the Purchase Order and any other purchase order affected by the delay, and recover from the Vendor all costs and losses resulting to Buyer including the amount by which the price payable by Buyer to acquire those products and/or services from another Vendor exceeds the price payable under the Agreement, in addition to any paid out liquidated damages according to the above.

3.4 Ingka is entitled to suspend any of its obligations towards the Vendor pursuant to this Agreement up to and including the moment the Vendor has fulfilled its obligations towards Ingka pursuant to this Agreement.

### 4. FEES, INVOICING AND PAYMENT

4.1 The Purchase Order shall set out all fees and prices applicable under this Agreement. The prices are exclusive of VAT and

inclusive of all other taxes, duties, levies, expenses, charges or otherwise.

4.2 Unless otherwise indicated in the Purchase Order, Buyer shall make payment for any invoice within thirty (30) days from the date of receipt of such invoice, except for invoices which Buyer in good faith disputes in whole or in part.

4.3 Without prejudice to any other rights and remedies available to Buyer under this Agreement or applicable law, Buyer shall be entitled to set off against any amount payable by Vendor under this Agreement or any other agreement between the parties or deduct or withhold any amount owed by Buyer to Vendor.

### 5. GENERAL WARRANTIES

5.1 Each party represents and warrants that: (a) it is duly organized, validly existing and in good standing under the laws of the jurisdiction of its origin, (b) it has all necessary right, power, and authority to enter into this Agreement and to perform the acts required of it hereunder, (c) it owns or holds any intellectual property rights necessary for its performance under this Agreement, (d) it holds and maintains all necessary licenses and permissions to perform the acts required hereunder, and (e) its performance under this Agreement will comply with all applicable laws and regulations.

### 6. SPECIFIC WARRANTIES

6.1 Vendor warrants that the products will at all times (a) perform in accordance with and conform to the Purchase Order and if, applicable, specification, and (b) possess the characteristics that Vendor has referred to through samples and prototypes or in marketing; and (c) be fit for their intended purpose, as such purpose has been set out in the Purchase Order and, if applicable, specification.

6.2 Vendor further warrants the services shall be performed with reasonable care and skill and be free from errors in operation and performance, shall comply with the applicable Specification in all respects, and shall provide the functions and features and operate in the manner agreed to by the parties under this Agreement.

6.3 Buyer shall notify Vendor in writing of any defects that have appeared in the products and/or services, including a description of the defect. Products and/or services that deviate from the warranties in this section shall be considered defective.

6.4 Vendor shall promptly (and within the specific time frame, if any, set out in the Purchase Order and, if applicable, specification) remedy the defective products and/or services at its own risk and cost, by repair, replacement or re-performance (if re-performance is reasonably convenient to Buyer and provides an adequate remedy of the defect). Buyer shall further be entitled to compensation for damages, costs and expenses.

### 7. OWNERSHIP AND LICENSE RIGHTS

7.1 Except as expressly stated in the Agreement, the Agreement does not grant either party any rights, implied or otherwise, to the other party's content or intellectual property rights.

7.2 To the extent any license or access right is required for Buyer to use the product and/or service to their full potential as expected and ordered by Buyer under this Agreement, such license or access right is hereby granted to Buyer with the right to allow its employees, authorized consultants and affiliates to use and access the product and/or service in the manner described hereunder.

### 8. INFRINGEMENT

8.1 Vendor shall be solely responsible to the extent the product and/or services constitutes any infringement in any intellectual property right of any third party and undertakes to indemnify and hold harmless Buyer from and against any and all damages, costs

and expenses (including reasonable attorneys' fees) incurred as a result of or in connection with any claim or proceeding brought by any third party against Buyer based on a claim that the Products or the use thereof constitute an infringement of any third party intellectual property rights.

## **9. LIMITATION OF LIABILITY**

9.1 Neither party shall be liable to the other for any special, indirect, consequential or incidental damages, even if it has been advised of the possibility of such damages.

9.2 Notwithstanding anything contrary in this section (Limitation of Liability) or otherwise in this Agreement, no limitations of liability shall apply to third party claims for damages due to personal injury or death, a party's wilful misconduct or gross negligence, breach of sections (Confidentiality), (Infringement) and (Non Publicity).

## **10. CONFIDENTIALITY**

10.1 Except for disclosure to Subcontractors and affiliates on a need-to-know basis in order to provide the products and/or services or where required by any court or governmental authority, neither party shall, during the term of the Agreement and thereafter, disclose to any third party any confidential information of the other party and shall not use such information other than for the agreed purpose. A party that discloses confidential information of the other party to its Subcontractors or affiliates shall remain liable for any breach of this section by such subcontractor or affiliate.

10.2 In the event a party breaches this section 11, such party shall forfeit, without any further notice or default being necessary, a penalty in the amount of twenty thousand (20,000) euros to the other party, plus five thousand euros (5,000) for each day the breach continues, commencing on the day of the breach, without prejudice to any other rights and remedies available to such other party.

## **11. NON PUBLICITY**

11.1 Neither Vendor or its employees, nor any third party engaged by Vendor may use its relationship with, or assignment for Buyer, or the existence of this Agreement for any marketing or financing purposes or as reference in any company presentations or press releases or in any way utilize (neither on the Internet nor in any other way communicate to the public) any trade name, trademark, service mark, logo or other distinctive brand feature of Buyer, Ingka Holding B.V. or Inter IKEA Systems B.V. (IKEA brand).

## **12. CODE OF CONDUCT**

12.1 Vendor hereby acknowledges that it has read and understood the IWAY Appendix, available at [www.ingka.com/supplier](http://www.ingka.com/supplier), and that Vendor will adhere to the terms and conditions set forth therein.

12.2 Buyer and/or a third party auditing organization appointed by Buyer, is entitled to perform announced and unannounced audits and inspections at Vendor's and/or a Subcontractor's facilities. Vendor shall allow for confidential interviews with its employees and shall maintain and allow access to all IWAY related documentation and records as required. Vendor shall in good faith support IWAY audits to the extent required to confirm compliance with IWAY. Buyer is committed to avoiding or minimizing disruption of Vendor's production and/or operation during the audit process.

12.3 Vendor further undertakes to comply with the Ingka Group Business Ethics Appendix, available at [www.ingka.com/suppliers](http://www.ingka.com/suppliers).

## **13. AUDITS**

13.1 Vendor shall permit and Buyer shall be entitled, at its own expense, to inspect and monitor relevant aspects of the business of Vendor and of the subcontractors, in order to verify the due and proper fulfillment of the requirements set forth in this Agreement. This audit provision applies to all areas of the business of Vendor relevant to this Agreement, except for those areas subject to separate audit terms agreed by the parties in respect of specific areas (e.g. information security, data privacy, IWAY).

13.2 Such inspections may be performed by Buyer and/or a third party appointed by Buyer upon reasonable advance notice to Vendor. For the purpose of the performance of such inspections, Vendor shall provide access to its premises and facilities and full co-operation to Buyer in carrying out such inspection. If deviation from the Agreement is discovered during such inspection and Buyer decides to investigate Vendor further, Buyer shall have the right to conduct such investigation at Vendor's expense.

## **14. DATA PRIVACY**

14.1 If Vendor, when performing its obligations under this Agreement, will process personal data (as defined in the applicable law) on behalf of an Buyer, the parties agree that a data processor agreement shall apply between the parties in order to fulfill the legal requirement of a written agreement between a data controller and a data processor. The data processor agreement shall set out *inter alia* the instructions for Vendor regarding the processing of personal data, the duration and purpose of the processing, the types of personal data and categories of data subjects being processed and the obligations and rights of the data controller.

## **15. INSURANCE**

15.1 Vendor undertakes to procure and at all times during the term of the Agreement maintain insurances covering its liability and indemnity under the Agreement, including: (a) public and product liability insurance, (b) professional indemnity insurance, and (c) employer liability insurance or similar insurance according to applicable law and practice in the countries where the Agreement is performed.

15.2 Vendor shall, upon Ingka's request, provide satisfactory evidence demonstrating that Vendor has effectuated insurances in accordance with this section.

## **16. FORCE MAJEURE**

16.1 Each party shall be relieved from liability for a failure to perform any of its obligations under the Agreement, during such period and to the extent that the due performance is prevented by reason of any circumstance beyond the control of such party, including but not limited to war, civil war, government restrictions, fire, embargoes, shortage, delay or interruption of communication or external networks or other circumstances of similar importance ("Force Majeure Event").

16.2 A party wishing to invoke a Force Majeure Event shall give immediate notice to the other party of the commencement and the cessation of a Force Majeure Event. Both parties shall use reasonable endeavors to prevent and reduce the effect of any non-performance of the Agreement caused by a Force Majeure Event. A Force Majeure Event affecting a subcontractor shall be considered as a Force Majeure Event affecting Vendor, provided that the circumstances as such constitute a Force Majeure Event according to this section. However, Vendor shall in such case use commercially reasonable efforts to perform such obligations itself or contract another subcontractor as soon as possible for the performance hereunder, failure to which Vendor will lose its right to invoke the Force Majeure Event for relief.

16.3 If a party is prevented from performing its obligations under the Agreement due to a Force Majeure Event for more than one (1) month, the other party shall be entitled to terminate the Agreement with immediate effect. Neither party shall have any liability to the other in respect of the termination of the Agreement as a result of a Force Majeure Event. This section shall, however, not release Vendor from its duty to implement any disaster recovery plan or business continuity plan as specified in this Agreement or as otherwise agreed between the parties.

## **17. SUBCONTRACTORS**

17.1 Vendor shall be entitled to appoint subcontractors for the performance of its obligations under the Agreement provided that Vendor notifies Buyer in writing hereof. Vendor shall ensure that the provisions of the Agreement are fully complied with and Vendor shall be liable for the acts and omissions of such third party to the same extent as Vendor is liable for its own actions and omissions under the Agreement.

## **18. MISCELLANEOUS**

18.1 This Agreement contains the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior written or oral agreements, understandings and negotiations between the parties with respect to the subject matter hereof. No modification, amendment, alteration or waiver of any provision thereof will be binding upon the parties unless made in writing and signed by duly authorized representatives of both parties.

18.2 The waiver by either party of a breach or a default of any provision of the Agreement by the other party shall not be construed to be a waiver of any succeeding breach of the same or any other provision, nor shall any delay or omission on the part of either party to exercise or avail itself of any right, power or privilege that it has, or may have hereunder, operate as a waiver of any right, power or privilege by such party.

18.3 Subject to the exception provided herein, neither party may assign this Agreement without the prior written consent of the other party, such consent not to be unreasonably withheld.

18.4 If, due to applicable mandatory provisions of law or government regulation, one or more provisions of the Agreement cannot be enforced or an amendment to one or more of the provisions of the Agreement is required, the parties agree that they shall endeavor to find an alternate solution approaching as close as possible the originally intended contractual situation.

18.5 The relationship between the parties is that of independent contractors and nothing contained in the Agreement shall be interpreted as a joint venture, partnership or employment between the parties.

18.6 Any person who is not a party to this Agreement shall not have any rights to enforce any of its provisions.

## **19. TERMINATION**

19.1 Buyer shall have the right to terminate the Agreement in whole or in part by giving thirty (30) days' written notice.

19.2 Each party shall be entitled to terminate this Agreement with immediate effect by serving notice in writing if: (a) the other party has materially breached this Agreement and has not fully remedied such breach (if capable of remedy in the reasonable opinion of the non-breaching party) within thirty (30) days from the breaching party's receipt of notice of said breach, or (b) the other party becomes the subject of proceedings under any bankruptcy or insolvency law, enters into composition with its creditors, applies for financial reorganization, enters into liquidation,

suspends payments to its creditors or is, or can reasonably be deemed to be, insolvent.

19.3 A breach by Vendor of the IWAY Appendix shall always be considered as a material breach and entitle Buyer to immediate termination of the Agreement.

## **20. GOVERNING LAW AND DISPUTE RESOLUTION**

20.1 This Agreement shall in all respects be governed by and construed in accordance with the substantive laws of the Netherlands.

20.2 Any dispute, controversy or claim arising out of or in connection with this Agreement or the breach, termination or invalidity thereof, shall be referred to the exclusive jurisdiction of the competent court in Amsterdam as the court of first instance.