

ARTICLE 1 – DEFINITIONS

In these General Purchase Conditions the following terms shall have the following meanings:

1.1 "Affiliate" means a company which is now or hereafter controlled by, under common control with or which controls Lely or the Supplier respectively, whereby control means the direct or indirect ownership of 50% or more of the shares entitled to vote for the appointment of directors for so long as such control exists or the equivalent power to exercise control over the management of the Affiliate.

1.2 "Agreement" means any agreement between Lely and the Supplier for the purchase of Goods and/or Services as stated in a Purchase Order.

1.3 "Confidential Information" means oral, written or digital information provided by Lely or on its behalf, including but not limited to all information which has been provided or will be provided to Supplier or of which the Supplier becomes aware in relation to the performance of the Agreement (but excluding information which is generally known to the public), including but not limited to, all technology, processes and know-how of Lely, business details, business plans and strategies, technical data, photographs, documents, drawings and sketches or any other information of any nature whatsoever and the fact and the content of the communications between Lely and the Supplier, employee names, employee data, financial information, new business and product ideas, marketing strategies and plans, databases and the information contained in same, computer software source codes, computer/network access codes, and business relationships including all copies of such information, customers or suppliers of Lely which is or might reasonably be considered by Lely to be confidential and of which the Supplier becomes aware through disclosure by Lely.

1.4 "Goods" means the tangible and intangible products, including software and any relevant documentation, mentioned on a purchase order and delivered to and/or made for or upon instruction of Lely. Where appropriate, any reference to Goods shall be deemed to include Services.

1.5 "Lely" means Lely Industries N.V., including its Affiliates.

1.6 "Purchase Order" means a written or electronic purchase order including a Lely order number and issued by Lely.

1.7 "Services" means the Services provided by the Supplier to Lely under the Agreement.

1.8 "Supplier" means any person or entity offering, selling and/or providing Goods and/or Services to Lely under an Agreement.

1.9 "Third Party" means a party not being Lely or the Supplier.

ARTICLE 2 – APPLICATION

2.1 These General Purchase Conditions shall apply to all requests, offers, deliveries, order confirmations and Purchase Orders relevant to the supply of Goods and/or Services by the Supplier to

Lely. Lely expressly rejects and shall not be bound by the Supplier's general terms and conditions, irrespective of whether these are provided with or stated on the quotation, packaging, invoice or any other documentation provided by the Supplier in the course of the supply of Goods to Lely.

2.2 These General Purchase Conditions shall also apply to all future business with the Supplier.

2.3 The English version of these General Purchase Conditions shall prevail over any translations thereof, which are provided for convenience only.

ARTICLE 3 – AGREEMENT

3.1 All requests made by Lely for offers and quotations shall be without engagement.

3.2 The General Purchase Conditions together with a Purchase Order shall constitute the entire Agreement between Lely and the Supplier. Lely does not agree to any modifications, additions or alterations initiated by the Supplier unless explicitly agreed by Lely in writing in a new or amended Purchase Order.

An Agreement shall be formed if: i) Lely expressly accepts an offer from the Supplier in writing, by sending a Purchase Order; ii) a Purchase Order is issued in accordance with the terms of a framework supply agreement between Lely and Supplier; or iii) the Supplier, without having sent an offer to Lely, signs and returns a Purchase Order within two working days of having received same from Lely.

3.3 In the event of conflict between the General Purchase Conditions and the Purchase Order, the Purchase Order shall prevail.

3.4 In the event of any apparent error(s) in the Purchase Order and/or the Manufacturing Files, the Supplier shall consult Lely prior to commencing performance of the Purchase Order.

3.5 The Supplier shall consult Lely prior to commencing performance of the Agreement. Furthermore, the Supplier shall familiarise itself with the intended purpose or use of the Goods and shall advise Lely if the Goods or Services to be supplied are not suitable for the intended purpose or use.

ARTICLE 4 – DELIVERY, TITLE AND RISK

4.1 Unless explicitly agreed otherwise in the Purchase Order, all Goods will be delivered DDP, in accordance with the most recent version of the Incoterms.

4.2 Goods and Services will be delivered or performed at the place, date and in the manner as agreed, whereby all delivery times and dates shall be firm. The Supplier will notify Lely of any (anticipated) delay in the delivery of the Goods. Notification will take place as promptly as possible, by telephone or in writing, including email. Where notification is provided by telephone, the Supplier will send written confirmation hereof, including specification of the reasons for the delay, within 48 hours of the cause of the delay.

4.3 The Supplier is not entitled to make partial deliveries or partially perform the Services, unless

explicitly agreed otherwise. Delivery shall be completed in accordance with the applicable Incoterm, whereby delivery shall not constitute acceptance of the quantity and/or quality of the Goods.

4.4. Lely may suspend its payment obligations vis-à-vis the Supplier in the event of a delay in delivery by the Supplier and without prejudice to Lely's right to claim compensation in full for all loss and damage incurred as a result of the delay in delivery or performance.

4.5. In the event that Lely cannot take delivery of the Goods, or performance of the Services by Supplier must be postponed as a result of a Force Majeure Event, the Supplier shall postpone delivery or performance without any additional charge to Lely for a period to be agreed between Lely and the Supplier.

4.6. The Supplier shall provide suitable packaging for the Goods and shall apply any distinctive marks, text and/or labels in accordance with Lely's requirements as well as sound commercial practice and any relevant legislation, including without limitation all applicable laws and regulations with respect to the order. Lely may withhold payment for any Goods rejected by it in accordance with Article 5.3.

4.7. The transfer of risk in the Goods takes place in accordance with the agreed Incoterm. In the event of a rejection of the Goods by Lely subject to Article 5.3, the risk in the Goods remains with the Supplier from the date stated on the relevant rejection notification by Lely.

4.8. Title to the Goods shall transfer to Lely upon delivery of the Goods to Lely. Upon delivery of the Goods, Lely will receive the unencumbered ownership of the Goods.

ARTICLE 5 – INSPECTION, TESTING AND ACCEPTANCE

5.1. Lely may at any time prior to or after delivery inspect or test the Goods and/or Services and the Supplier shall at all times fully cooperate and make available all relevant information and/or tools necessary for such test or inspection.

5.2. Inspection or testing of the Goods shall not constitute acceptance of same, and inspection of or payment for the Goods shall not constitute a waiver of any rights that Lely may have against the Supplier under these General Purchase Conditions or otherwise.

5.3. If Lely does not accept the Goods, Lely shall promptly inform the Supplier of such rejection in writing and the Supplier shall remedy any such non-conformity or defect in accordance with Article 8 of these General Purchase Conditions.

5.4. If the Goods are rejected upon inspection by Lely, Lely retains the right to charge the Supplier for administration costs .

ARTICLE 6 - PRICE, INVOICING AND PAYMENT

6.1. All prices quoted are stated in euro, exclusive of any value added tax (VAT), sales tax,

consumption tax or any other similar taxes on the basis of the Incoterm stated in the Purchase Order. Unless explicitly stated otherwise, the cost of packaging is included in the price.

6.2. Payment will be made by Lely into the Supplier's bank account designated by the Supplier, within 60 days of the date of delivery, unless otherwise agreed in the Purchase Order.

6.3. Lely and any of its Affiliates shall have the right at all times to set-off any amounts that any Lely Affiliate owes to the Supplier or its Affiliates under an Agreement with any amounts that the Supplier or its Affiliates owe to Lely or any of its Affiliates under any Agreement. The Supplier unconditionally accepts all payments by way of set-off between the Supplier and its Affiliates and any Lely Affiliate.

6.4. The Supplier's failure to adhere to Lely's invoicing requirements shall give Lely the right to suspend payment to the Supplier without incurring any late payment penalties.

6.5. Payment by Lely does not constitute a waiver of any right that Lely may have vis-à-vis the Supplier.

ARTICLE 7 – WARRANTY

7.1. The Supplier warrants that:

- i) the Goods delivered to Lely are new, not used, refurbished or reconstituted;
- ii) the Goods delivered to Lely are free from defects or deficiencies in materials, design, construction and workmanship, and are suitable for the intended purpose or use, all of which the Supplier is expected to be familiar with;
- iii) the Goods delivered to Lely strictly conform to the agreed specifications during the entire warranty period, as well as any other information provided by Lely;
- iv) it has good title to the Goods, which are free and clear of all liens and encumbrances;
- v) the services performed for Lely are performed with due skill and care, with use of the proper materials and sufficiently qualified personnel and in accordance with the best practices in the Supplier's industry;
- vi) the Goods delivered to Lely, and the Services performed for Lely, comply with and were produced or performed in compliance with all applicable laws and regulations, including without limitation EC Directive 2001/95 on General Product Safety, and in a sustainable manner;
- vii) the Goods do not violate or infringe any third party intellectual property rights, including without limitation any patent right, trademark, copyright, trade names and trade secrets, and the Supplier holds all rights, titles and interests required to supply the Goods and Services to Lely;
- viii) the Goods will be supplied with all relevant certificates, assembly instructions, drawings, instructions for use and the like.

7.2. The warranties stated herein shall survive delivery, inspection, testing, acceptance of and payment for the Goods and Services and shall extend

to Lely and its customers. Acceptance of or payment for all or part of the Goods or Services shall not be deemed a waiver of Lely's right to cancel, return or reject all or any part of the Goods or Services due to failure to conform to the Purchase Order or by reason of defects or due to any other breach of warranty, nor shall it preclude Lely from making any claim for damages, including without limitation any claim for loss of production.

7.3 The warranties stated in this Article 7 will be effective for a period of 24 months from the date of delivery to Lely or such other period agreed between Lely and the Supplier and stated in the Purchase Order (the "Warranty Period"). Goods replaced within the Warranty Period are warranted for the remainder of the original warranty term of such Goods or twelve months from the date of replacement of the defective Goods, whichever is longer.

ARTICLE 8 – NON-CONFORMITY

8.1 If any Goods or Services are defective or otherwise do not conform to the requirements and/or warranties under the Agreement within the Warranty Period, the Supplier shall:

- i) issue Lely a credit/full refund of the price paid to the Supplier, including any costs referred to in Article 8.3
- ii) replace the non-conforming Goods with Goods that meet the agreed requirements. The above remedies shall not apply with respect to a breach of the warranty in Article 7.1 (vii), which shall be subject to the indemnification in Article 11.1.

8.2 Upon discovery of a defect or non-conformity, Lely will promptly inform the Supplier hereof.

8.3 The Supplier shall pay all costs of replacing the Goods, including the costs of transportation of the defective Goods and other costs reasonably incurred in relation to the replacement of the defective Goods, including without limitation the cost of disassembly, assembly and other costs of labour, inspection, handling and storage.

8.4 The Supplier shall indemnify and hold Lely harmless against claims for loss and damage from Third Parties arising out of or in connection with the defect or non-conformity of the Goods and/or Services provided by Supplier to Lely under the Agreement.

8.5 The remedies set forth in this Article 8 shall be in addition to any other remedies available to Lely by law, contract or otherwise.

8.6 The Supplier will maintain comprehensive or commercial general liability insurance (including product liability and personal injury liability) for claims for bodily injury, including death, and all other loss or damage that may arise from use of the Goods or Services or acts or omissions of the Supplier under the Agreement.

ARTICLE 9 – TOOLS, DELIVERABLES AND INTELLECTUAL PROPERTY

9.1 Unless explicitly agreed otherwise in writing,

the Supplier shall make available and where required maintain at its own expense, all tools, raw materials, design or drawing work necessary for its performance under the Agreement.

9.2 All drawings, models, software, outlines, samples, descriptions, tools, data, technical specifications, calculations, manufacturing instructions and other information and items, hereinafter referred to as "the Manufacturing Files", proprietary to Lely and provided by Lely to the Supplier, or paid for by Lely, shall be and remain Lely's exclusive property, shall be marked as owned by Lely, and shall be adequately insured at the Supplier's expense against loss or damage by fire or any other hazard. Any such Manufacturing Files shall be considered Confidential Information of Lely and may only be used by the Supplier for the performance of the Agreement with Lely, and shall be returned promptly upon Lely's request.

9.3 In the event that the Supplier wishes to engage a Third Party for all or part of the performance of a Purchase Order, the Supplier will obtain Lely's prior written approval. Approval by Lely does not imply a waiver of any of Lely's rights vis-à-vis the Supplier, and the Supplier shall remain jointly and severally liable with any such Third Party for the proper performance of the Agreement as well as any violation of Lely's rights hereunder.

9.4 Reproductions, excerpts or other duplications of the Manufacturing Files shall only be permitted to the extent that they are required for the performance of any Purchase Order for Lely and the Supplier warrants that any such reproductions, excerpts or duplications will be destroyed/deleted or returned to Lely immediately upon completion of performance of the Purchase Order(s).

9.5 All rights in and title to deliverables, data, reports, designs, devices, methods, prototypes and any other work product made or acquired by the Supplier for Lely under the Agreement based on the Manufacturing Files shall become Lely's exclusive property. The Supplier undertakes to fully cooperate with Lely as may be required to vest any such intellectual property right(s) in the name of Lely. The Supplier shall have no right whatsoever with respect to any such intellectual property right(s), except as explicitly agreed otherwise in writing.

9.6 In the event of any use of the Manufacturing Files or deliverables based thereon in breach of the Supplier's obligation to use same solely for the supply of Goods and Services to Lely in accordance with this Article 9, the Supplier shall incur a penalty of €100,000, which shall be payable immediately, notwithstanding Lely's right to claim the actual loss or damages incurred as a result of Supplier's breach of its contractual obligation(s).

ARTICLE 10 – CONFIDENTIALITY

10.1 The Supplier shall keep all Confidential Information of Lely secret and shall not disclose same to any Third Party, except as explicitly agreed otherwise in writing with Lely. The Supplier may use

Lely's Confidential Information solely for the performance of its obligations under the Agreement, and shall impose the same secrecy and restricted use obligations on its employees and/or subcontractors, and shall be liable vis-à-vis Lely for the proper observance of such obligations by said persons and parties.

10.2 Without Lely's prior written consent, the Supplier shall not make any public reference to Lely, whether in press releases, advertisements or otherwise. Furthermore, the Supplier shall not use any Lely trademark, logo or name for any purpose other than the performance of its obligations under the Agreement.

ARTICLE 11 – LIMITATION OF LIABILITY & INDEMNIFICATION

11.1 The Supplier shall indemnify and hold Lely, its Affiliates, agents, officers and employees harmless in respect of any claims, loss or damage and expenses in connection with any third party claim that any of the Goods or Services alone or in combination or use of the same infringes any patent, trademark, copyright, trade secret, trade name or other proprietary right of any third party, and shall defend any such claim at the Supplier's expense. If any of the Goods or Services infringe a third party intellectual property right, the Supplier shall at its expense, but at the option of Lely:

- i) procure for Lely the right to continue the use of the Goods or Services, or
- ii) replace or modify the Goods or Services with a functional non-infringing equivalent, or
- iii) if the Supplier is unable to indemnify Lely in accordance with option i) or ii) above, Lely may terminate the Agreement and upon termination, Supplier shall reimburse Lely for the price paid, without prejudice to the Supplier's indemnification obligations hereunder.

11.2 The Supplier shall indemnify and hold Lely, its Affiliates, agents, officers and employees harmless in respect of any claims, loss or damage, proceedings, actions, demands, liabilities, attorney fees and costs and expenses of whatsoever nature and whether arising before or after completion of the delivery of the Goods or performance of the Services under the Agreement, and caused by or resulting in any way from the acts, omissions, breach of express or implied warranty, Supplier's negligence or breach of any provision of the Agreement relating to the development, production and supply of Goods or Services to Lely under the Agreement.

11.3 The indemnities stated in this Article 11 shall commence on the date of delivery of the Goods or the date of completion of the Services, and shall survive for a period of twenty years from such date.

11.4 The indemnification stated in this Article 11 shall be in addition to any other rights and remedies that Lely may have whether on the basis of the Agreement or by law.

11.5 Neither party excludes or limits its liability for death or personal injury arising from grossly negligent

or tortious acts, or for any liability that cannot be excluded or limited by law.

11.6 Subject to Article 11.5, in no event shall Lely be liable for any indirect, special, incidental, punitive or consequential damages, including without limitation any damages for loss of business, loss of revenue, loss of profit and/or loss of data, even where Lely has been advised of the possibility of such damages, and in no event shall Lely's liability exceed the amount due to the Supplier for performance under the Agreement.

ARTICLE 12 – TERMINATION

12.1 Without prejudice to any other right or remedy available to Lely, Lely is entitled to suspend the performance of its obligations under the Agreement or to immediately terminate the Agreement in whole or in part by means of written notice to the Supplier in the event that:

- i) the Supplier breaches any of its obligations under the Agreement and fails to remedy same within a reasonable time frame stated in Lely's written request to remedy same, or Lely, in its reasonable discretion, determines that the Supplier shall not deliver the Goods or perform the Services as required, or
- ii) the Supplier fails to provide adequate assurance of performance following a request by Lely;
- iii) the Supplier files a voluntary petition in bankruptcy or any proceedings relating to insolvency, receivership, liquidation, assignment for the benefit of creditors or similar proceedings;
- iv) the Supplier becomes the subject of a petition in bankruptcy or any proceedings relating to insolvency, receivership, liquidation, assignment for the benefit of creditors or similar proceedings;
- v) sale or termination of (a part of) the Supplier's business;
- iv) seizure of an important part of the assets of the Supplier;
- vii) the Supplier or any of its officers or employees are convicted of any criminal offence (other than an offence under any road traffic legislation for which a fine or non-custodial penalty is imposed).

12.2 As of the date of termination of the Agreement by Lely due to one or more of the events in Article 12.1;

- i) all claims that Lely may have vis-à-vis the Supplier shall become immediately due and payable;
- ii) the Supplier shall immediately return all items owned by Lely and in the Supplier's possession or control to Lely;
- iii) at Lely's option, the Supplier shall immediately deliver to Lely all Goods and or Services due under the Agreement and to the extent completed at that time;
- iv) return all Lely's Confidential Information to Lely and/or delete said Confidential Information ;
- v) the price for any Goods already delivered to or Services performed for Lely at the date of termination shall become due, notwithstanding the

right of Lely to set off any claims Lely has against the Supplier.

12.3 the Supplier is not entitled to suspend any of its obligations under an Agreement other than by reasons of Force Majeure as referred to below, or without the prior written approval of Lely, absent which Lely is entitled to immediately terminate the Agreement in full or in part, in writing and without a court order being necessary. The Supplier will become liable for all damage, including foregone profits, resulting from the termination.

12.4 Both Lely and the Supplier shall be entitled to suspend their respective performance under the Agreement in the event of Force Majeure without becoming liable to the other party. The unaffected party shall give the party affected by the Force Majeure event written notice with a term for performance. If the Force Majeure continues beyond the term given by the unaffected party, such party shall be entitled to terminate the Agreement with immediate effect. "Force Majeure" means any event or circumstance of a kind and nature which is beyond the reasonable control and without the fault or negligence of a party and/or any Third Party engaged by it and which makes the performance of the Agreement (temporarily) impossible and being circumstances or events which could not have been prevented or avoided by the exercise of due diligence or other prudent precautions, but excluding any of the following events: strikes, worker's lockout, shortages of manpower, energy or raw materials, absence due to illness, transport problems, delay or prevention in the performance caused by the Supplier's commitments to third parties or breakdown of any tools, machines, equipment or facilities.

12.5 A party affected by a Force Majeure event shall promptly notify the other party, and in any event within 48 hours of the occurrence of the Force Majeure event, by providing written notice setting out the details of the Force Majeure, including the party's intended action to remedy same.

12.6 The Supplier shall endeavour to allocate its available capacity and materials for performance of its responsibilities to Lely before satisfying the Supplier's own needs or the Supplier's responsibilities to any other customer.

12.7 An unaffected party shall not incur any liability for loss or damage resulting from termination of the Agreement in accordance with this Article 12 due to Force Majeure.

ARTICLE 13 – MISCELLANEOUS

13.1 In the event that any (part of a) provision of these General Purchase Conditions is found to be invalid, illegal or unenforceable by a court of competent jurisdiction, such provision shall be modified or restricted to the extent necessary to make such provision valid, legal and enforceable. If such modification or restriction is not possible, the nullity of one or more of the present provisions will not affect the validity of the other provisions contained herein or

the validity of the Agreement or these General Purchase Conditions

13.2 All provisions of the Agreement which are destined, whether expressly or impliedly, to survive the termination or expiration of the Agreement, shall survive.

ARTICLE 14 - COMPLIANCE WITH LAWS AND REGULATIONS

14.1 The Supplier shall, at all times, comply with all laws and regulations applicable to the Agreement, including without limitation all environmental laws and safety rules and regulations. The Supplier shall, at Lely's first written request, provide all relevant information to allow Lely to demonstrate its compliance with applicable laws and regulations in its use of the Goods and Services.

14.2 The Supplier warrants that it shall comply with all applicable export control laws and regulations worldwide, and that it will not export, re-export, directly or indirectly, any information, goods, software, and/or technology to any country worldwide without first obtaining the relevant licence or approval for such export. The Supplier will inform Lely in good time if any of the Goods or Services supplied or provided by it are subject to any such export laws or regulations.

14.3 The Supplier will provide Lely, on an annual basis, with a supplier declaration of origin in relation to the Goods, sufficient to satisfy the requirements of the customs authorities of the country of destination, as well as any relevant export licence regulations.

14.4 The Supplier warrants that it shall fully comply with relevant local applicable privacy laws when processing the personal data of Lely's employees, contractors or business partners.

14.5 The Supplier agrees to indemnify and hold Lely harmless from any claims, liabilities, costs or expenses resulting from the Supplier's non-compliance with applicable laws, rules and regulations.

ARTICLE 15 – GOVERNING LAW AND JURISDICTION

15.1 These General Purchase Conditions and any Agreement are to be construed according to, and shall be governed by, Dutch law. The applicability of the Vienna Sales Convention (CISG, 11 April 1980) is explicitly excluded.

15.2 All disputes arising out of or in connection with these general Purchase Conditions and any Agreement shall be settled by the competent court located in the district of the Lely ordering entity, which for the Netherlands will be Rotterdam and for Germany will be the District Court of Wolfenbüttel, respectively the Regional Court of Ravensburg.