General Conditions of Purchase
Parker Hannifin Manufacturing France SAS

1. Scope
   (a) Following a negotiation on the basis of the supplier's ("Supplier") general terms and conditions of sale, we agreed that our general conditions of purchase ("General Conditions") shall exclusively apply to all orders; unless expressly agreed otherwise in writing. Contrary or divergent terms of the supplier are expressly excluded.
   (b) All terms agreed between us and the Supplier for the performance of this agreement are contained in written form in this agreement, in our purchase orders and in the documentation. No supplementary agreements have been concluded.

2. Ordering
   (a) Our orders shall only be binding where they are issued in writing with a legally binding signature and are sent in hard copy or by fax (and in electronic form). Any order issued by us shall be confirmed by the Supplier in writing within 7 days. Where no confirmation or delivery is received from the Supplier within this time, we shall no longer be bound by the order.
   (b) The Supplier shall inform us if his confirmation letter does not correspond to the order. Quotations of Supplier shall not be binding, unless expressly accepted by us in writing.
   (c) The Supplier may issue sub-orders only with our approval.

3. Delivery
   (a) Confirmed delivery dates shall be binding. Each consignment must be accompanied by a delivery slip (including at least order number, description of goods and quantities).
   (b) The goods, properly packed and secured in such a manner as to reach their destination in good condition, shall be delivered by the Supplier at or dispatched for delivery to the place or places and at the time or times and in the manner specified in the order. All packaging shall be free and non-returnable, unless specifically agreed with us in writing.
   (c) The Supplier shall notify us immediately where delivery delays are threatened which may lead to the impairment of the consignment in terms of time or quality. Irrespective of this, the Supplier shall reimburse all additional costs incurred through delayed consignments or services. All costs caused by the Supplier such as express freight, express, telephone or fax charges, etc., shall be to the account of the Supplier. We further reserve the right to claim damages under applicable law and/or to withdraw from the contract.
   (d) The acceptance of a delayed consignment or service does not imply any waiver of the right to claim damages or to withdraw.

4. Acceptance
   (a) We are entitled to calculate storage costs for consignments which are delivered prior to the agreed date or for additional deliveries in excess of the agreed quantity or, where we cannot be reasonably expected to undertake the storage, to return such consignments to the Supplier at his expense and at his risk.
   (b) Where the consignment is being shipped on the basis of a schedule line, we are only obliged to accept the quantities thereof which have been contractually agreed.
   (c) Force majeure events such as strikes, lock-outs, operational interruptions as well as operational restrictions and similar occurrences which result in a drop in consumption or turnover with regard to the Supplier’s goods entitle us to withdraw from the contract.
   (d) The values we establish during our incoming goods and quality checks shall apply with regard to dimensions, quantities and quality.
5. Prices and Payment Terms

(a) Order prices are net and do not include value added tax ("VAT"). VAT shall be payable in addition, where applicable and on receipt by us from the Supplier of a valid VAT invoice (or other relevant document required for the purpose of VAT recovery by us) except where some other express arrangement has been agreed. Unless otherwise specified in the order, the prices agreed shall remain unchanged until fulfillment of the contract is completed.

(b) An invoice for each order shall be sent to us after each delivery. The order details contained in the order letter shall be cited in full in the invoice.

(c) The terms of payment of the goods are specified in our purchase orders, which are considered part of this agreement. The complete receipt of the all goods is a prerequisite of payment.

(d) We are entitled to set off and retain title according to applicable law.

6. Property and Risk - Transport

(a) The goods will be deemed to be delivered and the risk and ownership of the goods shall transfer to us once the consignment has been properly handed over at the place of performance and accepted in writing as being in accordance with the order.

(b) The transport risk and costs shall be borne by the Supplier, unless we specifically agree in writing to pay carriage charges at the time when the order is placed.

(c) For the purpose of international purchases any goods will, be delivered as specified in our order.

7. Warranty Claims

(a) The Supplier shall be obliged to inspect the quantity and the quality of the goods before delivery.

(b) We shall have no duty to inspect the goods nor to notify any detected defects within a specific time period. In any event, a warranty claim will be timely made if raised prior to the expiration of the warranty period set forth in subclause 7.(g) hereof.

(c) We are entitled to demand, at our discretion, that the Supplier either replace defective goods or remedy the defect. The Supplier may only refuse the form of supplementary performance we have chosen on the grounds of disproportionate cost where such costs would exceed the value of the goods in defect-free condition.

(d) The Supplier warrants that the supplied goods are free of any fault or defect, whether of design, workmanship or materials.

(e) Where supplementary performance fails, we are entitled to withdraw from the contract according to applicable law. Supplementary performance shall be deemed to have failed after one unsuccessful attempt, provided that the type of product or defect does not indicate that we are required to accept a further attempt at supplementary performance.

(f) We are entitled to remedy defects ourselves or to have them remedied at the expense of the Supplier, or to undertake shortfall purchases, where exigency or particular urgency applies and it is no longer possible to notify the Supplier with a deadline because of such particular urgency.

(g) The Supplier shall be liable for any breach of the warranties if, within 18 months after the delivery date, we give notice in writing to the Supplier of any defect in the goods which shall arise from faulty design, materials or workmanship. This warranty period starts upon delivery of the goods and shall be suspended while the Supplier attempts supplementary performance. With respect to replaced or repaired goods, a new warranty period shall commence upon delivery of the replaced or repaired goods.

(h) We expressly reserve the right to claim damages under applicable law. Warranty disclaimers and/or limitations of liability on the part of the Supplier do not apply. The foregoing warranties shall be without prejudice to any other rights and remedies available to us.

(i) The Supplier indemnifies and holds us harmless against third party claims in connection with defective, delayed or in other manners faulty delivery, including court and attorney fees.

8. Safety Regulations

(a) The machinery, apparatus, equipment, tools and installations we order must meet the latest accident prevention regulations and be accident-proof.

(b) Electrical parts of the above mentioned items must be of the latest technological standard and be in keeping with the latest VDE regulations.
9. Third Party Property Rights
The Supplier guarantees that no third party rights are being violated in connection with his deliveries. Where a claim is made against us by a third party, the Supplier shall indemnify us and hold us harmless against any claims on receipt of our first written demand. The Supplier’s obligation to indemnify shall relate to all expenditures arising out of or in connection with any third party claims. Where a violation of third party rights occurs because of a defect, our rights specified in clause 7 above shall apply.

10. Bribes and Inducements
The Supplier warrants that neither he nor any of its employees, agents, subcontractors or representatives has offered or given, or will offer or give, any bribe or inducement to any of our employees, agents, subcontractors or representatives. If it is found by us that the Supplier or any of its employees, agents, subcontractors or representatives have acted in breach of the foregoing obligation (whether or not with a view to securing an order from us or favourable treatment with respect thereto) we may, notwithstanding anything herein contained, by written notice to the Supplier terminate any agreement and order forthwith.

11. Non-Disclosure Clause
(a) The Supplier shall treat as confidential any information to which he shall become privy in connection with his business relationship with us or which we have disclosed to him. Within his operation the Supplier may make such information available only to those persons who have a need to know such information for the purpose of delivery and who are themselves bound to observe confidentiality.

(b) No 11 (a) shall not apply with regard to information
- of which the party who received the information ("Receiving Party") can verifiably demonstrate that it was already aware prior to disclosure provided that the Receiving Party informs the party which disclosed the information ("Disclosing Party") within one month of receipt of such information;
- which at the time of its disclosure to the Receiving Party was already in the public domain or accessible, or entered the public domain or became accessible after disclosure without any violation of this contract by the Receiving Party;
- that the Receiving Party shall receive from third parties not bound to confidentiality obligations;
- the disclosure of which to third parties has been approved in advance in writing by the Disclosing Party; or
- to the disclosure of which the Disclosing Party is obliged either under applicable law or by court order or by official directive.

(c) The obligation to observe confidentiality shall also apply after the contractual relationship has ended.

(d) Any information delivered by us to the Supplier shall remain our property and shall be returned to us without delay on demand. This shall also apply to any objects temporarily lent to the Supplier.

12. Miscellaneous
(a) The place of performance for deliveries shall be our company business premises specified in the order. The sole and exclusive place of jurisdiction for any disputes arising out of or in connection with these General Conditions between the Parties shall be Paris.

(b) This contract shall be governed by French law. The United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

(c) Data to which we are given access by the Supplier for the performance of the contract shall be stored in keeping with the provisions of the French data protection laws.

(d) Where one of the provisions of these General Conditions or any other provision in any other contract is or should become invalid or where any loophole is contained this shall not affect the validity of the remaining provisions or the contracts as a whole. Loopholes shall be filled with such valid provisions as would have been agreed by the contracting parties in keeping with the economic purpose of the contract and these General Conditions had they recognised the loophole in the first instance.