
Purchase Contract Terms & Conditions

1. Terms and Conditions. THIS ORDER MAY BE CONSTRUED AS AN OFFER OR AN ACCEPTANCE OF AN OFFER. IF THIS ORDER IS CONSTRUED AS AN OFFER, IT EXPRESSLY LIMITS ACCEPTANCE BY SELLER TO THE TERMS OF THIS OFFER AND CONSTITUTES NOTICE OF OBJECTION TO ANY ADDITIONAL OR DIFFERENT TERMS IN THE ACCEPTANCE. IF THIS ORDER IS CONSTRUED AS AN ACCEPTANCE, IT IS EXPRESSLY CONDITIONED ON SELLER'S ASSENT TO ANY ADDITIONAL OR DIFFERENT TERMS CONTAINED HEREIN.

The terms and conditions set forth below together with those appearing on the face of this Order, any attachments hereto and any document or other writing which is incorporated herein by reference (collectively, the "Order") constitute the complete and exclusive agreement between HUSCO Hydraulics Pvt. Ltd. ("Buyer") and the supplier ("Seller") of the goods and/or services identified in this Order (collectively, the "Products"). Buyer's electronic transmission of this Order shall have the same legal force and effect as Buyer's manual execution of this Order, and Seller's electronic acknowledgement of this Order, through e-mail response or other means manifesting acknowledgement of acceptance of the Order, shall have the same legal force and effect as Seller's manual execution of this Order. No course of dealing, usage of trade or course of performance or other action by Buyer shall be construed as acceptance of any additional or different terms than the terms provided herein. If there is a discrepancy or conflict between any exhibit or supplement to this Order and these terms and conditions, these terms and conditions shall control. Buyer may revoke this offer at any time prior to acceptance by Seller.

2. Acceptance. This Order can be accepted only upon the provisions expressed herein. Buyer objects to any additional or different terms or conditions, whether or not material, contained in any acknowledgement or confirmation of this Order. Seller may accept this Order by acknowledging or affirming it, delivering Products to Buyer, otherwise commencing performance or other means manifesting assent to be bound. No modification of this Order shall be binding on either party unless in writing and signed by an authorized representative of each party.

3. Termination for Convenience. Buyer reserves the right to terminate all or any part of this Order for its sole convenience. In the event of such termination, Seller shall immediately stop all work and shall immediately cause its suppliers or subcontractors to cease such work. Seller shall be paid a reasonable termination charge reflecting the percentage of the work performed prior to notice of termination, plus actual direct costs resulting from termination. In no event shall Buyer be liable for loss of profit. Seller shall not be paid for any work performed after receipt of the termination notice, except to the extent necessary to effect termination, or for any costs incurred which reasonably could have been avoided. Any claims under this section must be asserted in writing in detail within thirty (30) days of receipt of Buyer's termination notice.

4. Termination for Cause. Buyer may cancel this Order without penalty: (a) if Seller fails to comply with the specifications, terms or conditions of this Order; (b) if delivery is delayed beyond the requested delivery date, if any; (c) if Seller files a voluntary petition under any federal or state bankruptcy or insolvency act, an involuntary bankruptcy petition is filed against Seller, or Seller is declared insolvent or has a receiver or trustee appointed for it or its assets, or if Seller makes an assignment for the benefit of creditors or commences proceedings under any state insolvency or similar law; or (d) if Buyer encounters any labour disputes, governmental orders or actions, unavailability of transportation, fires, floods, breakdowns of essential machinery, accidents or other cause beyond its control which affects its ability to receive and use the Products ordered. In the event that Buyer cancels this Order pursuant to Section 4(a) or 4(b) herein, Seller shall be liable for all damages, including incidental and consequential damages, and reasonable attorneys' fees, directly or indirectly arising from Seller's default. These remedies shall be in addition to Buyer's other legal rights in law or equity.

5. Changes. Buyer may, effective upon notice to Seller, make changes to Buyer's designs, drawings, materials, packaging, time and place of delivery, method of transportation, specifications or other terms of this Order at any time prior to shipment of corresponding Products covered by this Order, which changes shall be immediately implemented by Seller. If any such change directly results in an increase or decrease in prices or delivery schedules of Products, then an equitable adjustment shall be made, provided that Seller makes and Buyer accepts a written claim for an adjustment prior to shipment of Products. If the parties are unable to agree upon the amount of the adjustment, Buyer may, without any liability to Seller, terminate this Order as to all Products affected. Seller shall not, without the prior written consent of Buyer, make any changes to: (a) the process, materials, procedures or equipment related to manufacture or supply of the Products; or (b) the designs, drawings, or specifications affecting Products.

6. Discontinuation of Products. Seller shall provide Buyer with at least one hundred twenty (120) days' prior written notice in the event that Seller discontinues the manufacture of any Product previously purchased by Buyer.

7. Delivery. Seller shall cause timely delivery of the proper quantity of Products specified in this Order. Time is of the essence with respect to Seller's obligations hereunder. If delivery of Products is not completed by the specified delivery date, Buyer reserves the right, in addition to its other rights, to return Products or terminate all or part of this Order and charge Seller with all costs, expenses and damages associated with such return or termination. Seller shall include a packing slip in a waterproof envelope secured to package on all shipments. The packing slip must include, but not be limited to, the following information: Order number; Order date; name and address of the Seller; name and address of shipper (if different from the Seller); a detailed description of the Products; Product part number and revision; quantity of each part number shipped; and total number of boxes. Seller must display complete Order number, Product part number; quantity shipped and lot number on the outside of each delivered package or box. Seller shall strictly comply with delivery instructions contained on the front of this Order. If no delivery instructions are stated, Products shall be delivered F.O.B. destination designated by Buyer and all charges for storage, packing, and handling are included in the purchase price and shall be paid by Seller. Risk of loss shall be upon Seller until delivery to Buyer's facility or other designated location and acceptance after inspection by Buyer. In the absence of specific routing instructions, shipments are to be routed "Best Way". No charges for blocking, boxing, crating, dunnage, cartage, drayage or packaging will be allowed without the specific prior written approval of Buyer. Seller shall ensure that Product packaging and protection are suitable to keep the Products and all parts in good condition for the rigors of logistics handling as well as the time associated with logistics, plus three (3) months of Buyer's storage. Buyer, at its option, may return Products shipped earlier than the date specified on the Order to Seller at Seller's expense and/or withhold payment until the otherwise applicable payment period. Buyer, at its option, may return over-shipments to Seller at Seller's expense. If Buyer so returns Products in either case, Seller's account shall be debited for the total amount or portion of any invoices (including shipping and freight expenses and taxes, if applicable), paid thereon.

8. Inspection and Acceptance. All Products shall be received subject to Buyer's inspection and testing at all reasonable times and places, including, without limitation, the period of manufacture, and in any event, prior to acceptance. Buyer shall have a reasonable time to inspect the Products after arrival at their destination. Upon notice, Buyer may make inspection visit(s) at the site where the Products are being designed or manufactured, or services are being performed. If Buyer determines that part of the Products are not in accordance with Buyer's specifications, Buyer has the right to reject any such Products and is permitted to cancel any unshipped portion of this Order. Products rejected or those which are supplied in excess of quantities called for herein may be returned to Seller at Seller's expense and risk of loss. Payment for the Products prior to inspection shall not constitute acceptance thereof, and shall be made without prejudice to any and all claims that Buyer may have against Seller. In the event the Products must be installed, tested, inspected or assembled prior to commercial use, they shall not be deemed finally accepted until such installation, testing, inspection or assembly, as the case may be, indicates that the Products are in accordance with specifications and are operating properly. Nothing contained in this Order shall relieve Seller from its obligations of testing, acceptance and quality control.

9. Prices and Payment. Seller shall sell to Buyer the Products shown on the face of this Order at the prices specified. Except as otherwise provided in this Order, such prices are inclusive of any and all other charges for the Products (including, but not limited to, any charges for freight, boxing, packing, cartage or other additional charges). Unless otherwise specified on the face of this Order, the prices herein include all applicable federal, state and local taxes, customs, duties and fees of every kind and nature, including, without limitation, sales and use taxes. Seller warrants that such prices are not in excess of the lowest prices charged by Seller to other similarly situated customers for similar quantities of Products of like kind and quality. Seller's invoice shall include the Products' packing slip reference or number wherever possible. If partial shipments of Products are made, Seller must render separate invoices for each shipment. Payment for Products by Buyer shall be due sixty (60) days after the later to occur of receipt by Buyer of: (i) an appropriate invoice from Seller or (ii) the corresponding Products. Buyer may deduct from Seller's invoices any monies owed to Buyer by Seller. Payment by Buyer will not constitute acceptance of Products, nor impair Buyer's right to inspect Products, or invoke any of its remedies. Buyer may set off any amount due Seller, whether or not under any Order, pursuant to these terms and conditions, against any amount sufficient to protect Buyer from all claims, losses, damages and expenses arising from Seller's breach of this Order or other acts or omissions.

10. Proprietary Information; Confidentiality. All information furnished by Buyer or any other person acting on behalf of Buyer and all information learned or observed about Buyer or its operations through performing this Order is confidential and Seller shall not disclose any such information to any other person, or use such information for any purpose other than performing this Order without Buyer's express written consent. All information in tangible form, including drawings, samples, models, specifications, or other documents provided by Buyer or prepared by Buyer for Buyer shall be returned to Buyer promptly upon request. Seller shall not publicize the fact that Buyer has contracted to purchase Products from Seller, nor shall any information relating to this Order be disclosed without Buyer's written consent. Unless otherwise agreed in writing, no information disclosed by Seller to Buyer shall be deemed confidential and Seller shall have no rights against Buyer with respect to Buyer's use thereof.

11. Tooling and Equipment. Seller agrees that any tools, dies, jigs, patterns, drawings or other equipment (collectively, "Tooling and Equipment") furnished and/or paid for by Buyer shall continue to be property of Buyer; and the same shall be used exclusively in the preparation of Products ordered by Buyer. Seller agrees that no inaccuracy or inadequacy in Tooling and

Equipment which Buyer furnishes shall excuse performance not in strict accordance with specifications and that such Tooling and Equipment shall be used by Seller at Seller's own risk. Seller, at Seller's own expense, shall keep in good condition all such Tooling and Equipment furnished by Buyer. Seller agrees, at its own cost and expense, to keep the Tooling and Equipment fully insured against loss, damage theft or destruction at all times while in its possession or control. Seller agrees to provide Buyer with evidence of such insurance coverage upon request by Buyer. Tooling and Equipment are subject to removal by Buyer at any time upon Buyer's demand.

12. Representations and Warranties. Seller represents and warrants that all Products covered by this Order shall: (a) conform strictly to the designs, specifications, tolerances, descriptions, drawings, samples and other requirements referred to in this Order or provided by Buyer; (b) be merchantable and free from defects in materials and workmanship; (c) be fit and safe for their intended purpose; (d) be free from liens, encumbrances, and other claims against title; (e) be new and not contained any used or reconditioned parts or materials; (f) be approved by licensed professionals in the event professional design work is involved; (g) be supplied with all Material Safety Data Sheets (MSDS), operation, testing, service and maintenance manuals, instructions, warnings, software (including source code) and documentation; and (h) not infringe any patent, trademark, copyright or other intellectual property right of a third party. Seller acknowledges that it knows of Buyer's intended use for the Products and represents and warrants that all Products furnished hereunder will be fit and sufficient for such use. Seller also represents and warrants that it shall obtain and assign or otherwise provide to Buyer the benefits of warranties and guarantees provided by manufacturers or suppliers of material or equipment incorporated into the Products or services, and shall perform its responsibilities so that such warranties or guarantees remain in full effect. Seller further represents and warrants that there will be no unauthorized changes to processes, sub-suppliers, materials, procedures or equipment. Seller shall notify Buyer of any such changes in writing, and Buyer shall approve the changes in writing prior to Seller's implementation of any such changes with regard to the Product or the Order. Seller agrees to promptly, at Buyer's option, refund the purchase price of, replace or otherwise correct, without expense to Buyer, any of the Products or services which do not conform to the foregoing warranties. In the event that Seller fails to promptly make such refund, replacement or correction, Buyer may cause such replacement or correction to be made and charge Seller for all expenses associated therewith. The foregoing warranties and remedies shall be in addition to any warranties or remedies provided by law and shall survive inspection, test, acceptance and payment. All of Seller's warranties hereunder shall run to Buyer, Buyer's successors, assigns and users of the Products and customers, such customers to include but not be limited to users of Buyer's products that contain, incorporate or embody the Products. SHOULD SELLER'S WARRANTY FAIL OF ITS ESSENTIAL PURPOSE, ANY LIMITATION OF SELLER'S LIABILITY FOR DAMAGES SHALL BE VOID.

13. Indemnification. Seller shall defend, indemnify and hold harmless Buyer against all damages, claims, costs and expenses (including attorneys' fees) arising out of or resulting from any act or omission of Seller, its agents, employees or subcontractors or which otherwise arises as a result of Seller's performance of this Order including, without limitation, (a) all liabilities to Buyer's employees, agents and subcontractors, (b) injury or death of any person or damage to any property, (c) a breach of any warranty or other provision of this Order, or (d) a violation or alleged violation of any federal, state or local laws or regulations resulting from the existence of any pollutant, contamination, chemicals, toxic or hazardous substance or waste in the material. Seller's indemnification obligations hereunder shall not lessen or diminish any of Seller's other responsibilities pursuant to this Order, including, but not limited to, Seller's warranty obligations.

14. Intellectual Property Indemnification. Seller shall defend, indemnify and hold harmless Buyer and its successors, assigns and customers from any claim or cause of action alleging that the design, use or construction of the Products infringes a patent or any proprietary rights of others except infringement occurring as a result of incorporating a design or modification conceived by Buyer and specifically excluded from this covenant by Seller in writing not later than acceptance of this Order. Buyer shall have the right to employ, at Seller's expense, counsel on its own behalf, and shall have the right to participate in the defence of such suit.

15. Intellectual Property License. If any experimental, developmental or research work is called for or required hereunder, Seller agrees to and hereby does grant to Buyer an irrevocable, non-exclusive, fully transferable, royalty free license to make, have made, use and sell any invention, improvement or discovery (whether or not patentable) that Seller conceives, develops or first actually reduces to practice in the course of performing this

Order. Seller agrees to and hereby does grant to Buyer: (i) an irrevocable, non-exclusive, fully transferable, royalty free license to reproduce, translate, publish, use and dispose of, and to authorize others so to do, any copyrighted or copyrightable material ordered as Products or incorporated in or supplied as a supplement with, any Products; and (ii) the right to reproduce, use and disclose for any purpose, all or any part of the reports, drawings, blueprints, data and technical information delivered or specified to be delivered by Seller to Buyer under this Order.

16. Insurance. Seller shall obtain and maintain in force (a) bodily injury and property damage public liability insurance (including coverage for products and completed operations and contractual liabilities) of not less than INR 12 crores (\$2 Million dollars) per occurrence, and (b) all other insurance as required by law. Upon request, Seller shall provide Buyer with satisfactory evidence that such insurance is in effect.

17. Material Furnished. If Buyer furnishes any material for fabrication hereunder, Seller agrees: (a) not to substitute any other material in such fabrication or make process changes without Buyer's written consent, (b) that title to such material shall not be affected

by incorporation in or attachment to any other property, and (c) to state and warrant on its invoice for final parts that "All material furnished by Buyer on this contract (except that which became normal industrial waste or was replaced at Seller's expense) has been returned in the form of parts and unused material." Proceeds of scrap salvage shall accrue to Seller and are reflected in the prices stated herein. Any such material scrapped because of defective workmanship of Seller shall be replaced or paid for by Seller.

18. Steel Castings. Steel castings shall not be welded without Buyer's consent which if given shall not relieve Seller of Seller's warranty responsibility regarding the Products.

19. Publicity. Seller shall not, without first obtaining the written consent of Buyer, in any manner, advertise or publish the fact that Seller has contracted to furnish Buyer the material herein ordered, or that such material has been supplied, or that Buyer is a

customer of Seller.

20. **Import Drawback Rights.** This Order includes all related customs duty and import drawback rights, including rights developed by substitution and rights which may be acquired from Seller's suppliers which Seller can transfer to Buyer. Seller agrees to inform Buyer of the existence of any such rights and upon Buyer's request provide Buyer with such documents as may be required by the customs authorities of the country of receipt to prove importation and to transfer duty drawback rights to Buyer.

21. **No Liens.** Seller agrees that it shall not file any liens as a result of producing Products or services hereunder and that it shall not permit its subcontractors or other suppliers to file such liens. When requested, Seller shall provide Buyer with lien waivers for itself, its subcontractors and other suppliers in a form satisfactory to Buyer. If a lien is filed, Seller shall cooperate fully with Buyer, at Seller's expense, to cause the lien to be removed.

22. **Compliance with Law.** Seller will at all times comply with all federal, state, local and foreign laws, rules and regulations applicable to its obligations under this Order and, if applicable, its manufacture of Products. Seller shall furnish to Buyer any information required to enable Buyer to comply with such laws, rules, and regulations in its use of the Products or reasonably requested by Buyer to confirm compliance with such laws, rules and regulations or with the provisions of this Order.

23. **Work Performed on Buyer's Premises.** IF ANY WORK UNDER THIS ORDER IS TO BE PERFORMED ON THE BUYER'S PREMISES, THE SELLER AGREES TO INDEMNIFY THE BUYER AGAINST ALL DAMAGES, CLAIMS AND EXPENSES ARISING OUT OF SUCH WORK AND BASED UPON PERSONAL INJURY (INCLUDING DEATH), PROPERTY DAMAGE AND OTHER MATTERS FOR WHICH THE SELLER, SELLER'S EMPLOYEES OR REPRESENTATIVES ARE TO ANY EXTENT LEGALLY LIABLE. PRIOR TO COMMENCEMENT OF SUCH WORK ON THE BUYER'S PREMISES, SELLER SHALL FURNISH TO THE BUYER SATISFACTORY EVIDENCE THAT SELLER AND SELLERS REPRESENTATIVES HAVE ADEQUATE GENERAL COMMERCIAL LIABILITY, PROPERTY DAMAGE, EMPLOYER'S LIABILITY AND WORKMEN'S COMPENSATION INSURANCE. THE SELLER AGREES TO PERFORM THE WORK IN ACCORDANCE WITH THE ENVIRONMENTAL HEALTH & SAFETY RULES OF THE BUYER AND APPLICABLE STATE AND LOCAL LAWS AND REGULATIONS.

24. **Anticipated Delay.** If at any time Seller has reason to believe that deliveries of Products will not be made as scheduled, written notice setting forth the cause of the anticipated delay will be given immediately to Buyer. Seller, by giving this notice, is not relieved of any of its obligations under this Order and is still bound to deliver the Products on time.

25. **Cumulative Remedies.** The remedies set forth herein shall be cumulative and additional to any other or further remedies provided in law equity.

26. **Governmental Approval.** If the articles covered by this Order require approval for the sale and/or use thereof by governmental statute, rule, regulation, code, ordinance or executive order, whether now or hereinafter in force, Seller certifies it has or will obtain an approval or the sale and/or use from the appropriate agency of each of the governmental units requiring same. Upon request, Seller will submit to Buyer a copy of each such approval for sale and/or use.

27. **Import Requirements.** Upon Buyer's request, Seller shall provide Buyer with an appropriate certification stating the country of origin for the goods sufficient to satisfy the requirements of: (a) the customs authorities of the country of receipt and (b) any applicable export licensing regulations, including those of the United States. Seller shall ensure that all goods are marked (or, if applicable, the container holding the goods is marked) with the country of origin. Seller shall ensure compliance in marking the goods with the requirements of the customs authorities of the country of receipt. Seller shall comply with all other government agency requirements of the country to which the goods are shipped. Failure to comply with import requirements will result in the transfer of financial and legal obligations to Seller. The Order includes all related customs, duty and import drawback rights, including rights developed by substitution and rights that may be acquired from Seller's suppliers that Seller may transfer to Buyer. Seller agrees to inform Buyer of the existence of any such rights and, upon Buyer's request, shall provide Buyer with such documents as may be required by the customs authorities of the country of receipt to prove importation and to transfer duty drawback rights to Buyer.

28. **Independent Contractor.** Seller, its agents and other suppliers, shall at all times be independent contractors and no express or implied representations to the contrary shall be made. Seller shall at all times retain exclusive liability for wages and all employment-related obligations due its employees and shall indemnify Buyer for any liability arising therefrom.

29. Seller shall emphasize on factors like efficiency, optimum use of natural resources (fuel, power, water, wood etc.) consumption, use of environmental-friendly materials, reduced noise and emission levels in his product, processes and services.

30. **Miscellaneous.** (a) This Order and the parties' performance hereunder shall be governed by the internal laws of the state of Maharashtra, India without giving effect to its conflict of laws principles, including the Uniform Commercial Code as adopted by such state. Seller hereby consents to the jurisdiction and venue of the courts located in Pune, India. (b) no remedy provided herein shall be exclusive of any other remedy hereunder or provided by any applicable law; (c) the invalidity or unenforceability of any provision of this Order shall not affect the validity or enforceability of any of the other provisions of this Order; (d) this Order shall not be assigned by Seller, and Seller shall not delegate in any manner to any other person the performance of any work or the supplying of any Products or services under this Order, in either case without the prior written consent of Buyer; (e) Buyer's failure to insist on performance of any of the terms of this Order, its failure to exercise any right or privilege or its waiver of any breach hereunder shall not effect a waiver of any other right or privilege, whether of the same or similar type; (f) in the event Buyer is involved in any litigation with respect to this Order, Buyer shall recover from Seller its costs and attorneys' fees incurred in enforcing or defending its rights hereunder; (g) captions preceding particular sections are for convenience only and are not to be construed as part of this Order or as a limitation of the scope of a particular section to which they refer; and (h) these terms are made in the English language only, which language shall be controlling in all respects and all versions of the terms in any other language shall be for accommodation only and shall not be binding upon the parties to this agreement. If Seller is located outside India, then except as otherwise specified, (i) the 1980 United Nations Convention on Contracts for the International Sale of Goods shall not apply, (ii) all customs fees, import duties, cargo insurance, taxes and other charges imposed on or relating to the purchase or sale of the Products shall be paid by Seller, and (iii) prices include all commercial export packaging. (j) Packing material used by domestic seller must be in compliance with Notification no. Plastic-2018/C.R.No.24/TC-4 and subsequent amendment(s) by Environment Dept. of State of Maharashtra.

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