

## Valmont SM General Purchase Conditions

### 1. GENERALITIES AND DEFINITIONS

1. In these General Purchase Conditions ("GPC") the following definitions are applicable:

"**Confidential Information**" means any and all information, knowhow and other data etc. protected by Intellectual Property Rights (before publication) or which by their mere nature are deemed confidential, or other proprietary information allowing for a competitive edge over competitors.

"**Days**" shall mean calendar days where not specified otherwise.

"**Delivery**" means the delivery of any Goods and / or Services and includes Documents, by the Supplier to Valmont SM at the place agreed in writing.

"**Defect**" means any and all defective Goods or Services, or Deliveries being non-conformant to or not meeting specifications, Scope of Supply, or not being fit for their intended purpose during its design lifetime, Deliveries not meeting Warranties or Deliveries otherwise not in compliance with the GPCs, PO or PA.

"**Document**" means all written materials necessary for the Goods and/or Services to be commercially exploited, including but not limited to drawings and technical documents.

"**EHS**" means environment, health and safety.

"**Force Majeure**" means only riots and civil commotion, strikes, lockout, wars or hostilities (declared or not), terrorist acts, flooding, storm, hurricane, explosion, epidemics, natural disasters, and any prohibition or restriction by any government or other legal authority, which affects Delivery.

"**Goods**" means any and all products and/or materials of all kinds, including Documents purchased by Valmont SM from a Supplier.

"**Intellectual Property Rights / IPR**" means all copyright, design rights, trademarks, trade names, trade secrets, utility models, patents and any other intellectual property rights of a similar nature (whether or not registered).

"**Order Amount**" means all Purchase Prices referenced in any Purchase Order(s) and thus the total, accumulated and aggregated sum of each and every Purchase Price and increases/decreases hereof.

"**Purchase Price**" means the individual purchase price(s) agreed between the Parties in writing for each mentioned or purchased Goods and/or Services.

"**Party or Parties**" mean Valmont SM and the Supplier or Suppliers individually or collectively.

"**Purchase Order**" or "**PO**" means a written order for Goods and/or Services specifying inter alia (i) quantity, (ii) price, (iii) time and (iv) place of Delivery.

"**Purchase Agreement**" or "**PA**" means a separate written agreement, signed between Valmont SM and the Supplier and appendices thereof.

"**Scope of Supply**" means any and all Goods and/or Services to be delivered.

"**Services**" means any performed workmanship.

"**Sub-Supplier**" means a sub-supplier to either the Supplier or Valmont SM.

"**Supplier**" means the Supplier, its group companies under common control with the Supplier by vote and/or by share capital, financially, directly or indirectly and/or otherwise by the ultimate mother company controlling the Supplier, all subsidiaries of the Supplier and/or affiliates hereof or part of the group of companies meaning under common control with the Supplier, and/or any person and/or chosen representative duly authorized by the Supplier and their respective personnel.

"**Third Party**" means a legal or physical person that is not a Sub-Supplier and not a party to the PO, PA or these GPCs.

"**Valmont SM**" means only the specific legal entity that has issued a PO or PA or which is doing business with the Supplier.

"**Variation**" / "**Variation Order**" mean a written request to change the Scope of Supply.

"**Warranty Period**" means any period of time where the Supplier is warranting Goods and/or Services.

1.1 The GPC shall apply to all offers, tenders, requests, PAs or POs for the purchase of Goods and/or Services between Valmont SM and the Supplier.

1.2 Supplier's general sales conditions are expressly stipulated to be null and void having no force or effect between the Parties even if sent at later date than a PO or PA.

1.3 Only the specific Valmont SM legal entity issuing a PO or signing a PA is the contracting Party to these GPCs.

1.4 The prevailing language and the language for all communications is Danish.

1.5 Notices and Consents: Must be in writing or communicated by e-mail.

1.6 Where explicit legal remedies are stipulated in the GPCs such legal remedies shall not prevent either Party from making use of any other legal remedies generally available under applicable laws and the GPCs.

### 2. ACCEPTANCE

2.1 Valmont SM enters into any purchase of Goods/Services by referencing the GPC in a PO, PA or other written communication. The Supplier shall acknowledge acceptance or rejection of a PO in writing within seven (7) Days of receipt. In case the Supplier does not send acceptance or rejection of the PO in writing within the 7 day period, Valmont SM shall be entitled to cancel and terminate the PO without any liability for Valmont SM. In any event if; (i) the Supplier's commences performance in any manner, (ii) is sending any invoice or (iii) accepts any payment in relation to the PO, this constitutes unconditional acceptance of the PO.

2.2 The Supplier's Sub-Supplier(s) must be approved by Valmont SM.

2.3 The Supplier is obliged to ensure that his Sub-Supplier complies with the conditions stated in the GPC, PA or PO and the Supplier maintains responsibility for Deliveries made by its Sub-Supplier(s).

2.4 In case of doubt due to differences in interpretation or alleged discrepancies and/or inconsistencies, errors and faults the following order of priority shall be applicable to the Documents; (a) Valmont SM's Purchase Agreement (if relevant); (b) Valmont SM's Purchase Order; (c) Valmont SM's GPC; (d) Supplier's Order Confirmation; (e) Other documents. Where the Supplier's Quote is included, this is for reference purposes only and it shall be classified as (e) "Other documents" in the listed priorities.

### 3. PAYMENT

3.1 Payment terms for purchases are "end of current month, plus 60 Days, from Delivery", unless the Parties have agreed otherwise in writing.

3.2 The Purchase Prices and any Order Amount shall be firm and shall not increase for any reason whatsoever.

3.3 The currency used in the PO shall be the local currency in the country the Valmont SM legal entity is placed or the currency specified in a PO.

3.4 Valmont SM shall be entitled to set-off any claim, money or otherwise, including liquidated damages, against the Supplier's outstanding or by Valmont SM owed amounts.

3.5 The invoices shall be in Danish or English and for payment will require as a minimum:

(a) Valmont SM's references including Valmont SM's full name; (b) Valmont SM's PO number; (c) name of consignee when applicable; (d) quantity and description of the Scope of Supply; (e) specification of any taxes or charges on the sale; (f) full address of the Supplier's bank including account number, IBAN, Swift code, company registration number and VAT number; (g) any other information reasonably required by Valmont SM to facilitate invoice approval and payment.

3.6 The Order Amount or Purchase Price or any price includes all taxes including but not limited to withholding tax, income tax for employees or legal entities, VAT, import and/or export duties, any other public, private, fiscal or other amounts. The Supplier indemnifies Valmont SM from all such tax or fiscal claims or losses.

### 4. QUALITY MANAGEMENT STANDARDS

4.1 The quality, specification and standard of the Goods and/or Services shall be in accordance with any relevant laws, directives, method statements and the industry standards for such Goods and/or Services, and also in accordance with any specified standards agreed by the Parties.

### 5. TESTS

5.1 Any and all necessary tests shall be performed by the Supplier, unless otherwise agreed in writing.

5.2 Payment includes any and all remunerations for all tests and Documents hereto. Test shall be performed in accordance with best practices and industry standards applicable or as agreed between parties.

5.3 Any test can be performed regardless of whether Valmont SM is represented at the test, provided Valmont SM received a 14 Days prior written notice of the test.

5.4 The Supplier shall keep a written record of the test, which shall be sent to Valmont SM on request.

5.5 If any test proves that the Scope of Supply is not in conformity with the PO, PA or otherwise, the Supplier shall immediately ensure that the Scope of Supply is brought in compliance. If Supplier does not immediately restore compliance, then Valmont SM can seek recourse from the Supplier according to the GPCs.

### 6. INSPECTIONS

6.1 The Supplier and their Sub-Suppliers shall always grant access to Valmont SM, relevant inspection authorities and the Valmont SM end-customer for inspection of all relevant facilities.

6.2 The Supplier shall be solely responsible for rectification of any faults and/or any change, rejection or results from any inspection.

6.3 Valmont SM shall be entitled to reject Goods and/or Services or parts thereof not in conformity with the specifications or the inspection.

6.4 Valmont SM shall not be responsible for the result of any inspection and the Supplier shall not be released from any obligation regardless of the result of any inspection.

6.5 The Supplier shall not be able to claim any rejection as a result of an inspection as being the cause for a delay of Delivery, nor as the justification for price increases.

### 7. DELIVERIES

7.1 The Supplier shall prepare a production and Delivery schedule of the Scope of Supply at the latest 7 Days after Valmont SM's written request. Upon Valmont SM's request the Supplier is obliged to document punctual progress of the production and Delivery.

7.2 The risk for Goods and/or Services shall be and transferred in accordance with DDP INCOTERMS 2010 at place of destination specified by Valmont SM or when the Delivery is accepted in writing by Valmont SM.

**7.3** The Supplier is responsible that the Goods are packed, marked and labelled in accordance with international standards or as agreed between parties. Any loss or damage to the Goods due to insufficient and/or inappropriate packing or wrapping is the sole responsibility of the Supplier.

**7.4** The time of Delivery is the date agreed by the Parties in the PO or PA.

**7.5** Any delivery / partial delivery / shipment delivered to Valmont SM, one of Valmont SM's sites or other destination specified by Valmont SM in the PO or PA must be enclosed with delivery note indicating PO-number, Valmont SM's project number, contact person at Valmont SM, number of items delivered, dimensions and relevant designation for the Goods.

**7.6** The Supplier shall search for Defects, discrepancies and inconsistencies (Hereinafter Errors) in the information or Documents provided by Valmont SM to the Supplier. The Supplier shall without undue delay notify Valmont SM of any "Errors" discovered. If the Supplier does not notify Valmont SM of any "Errors" that Supplier has discovered, or ought to have discovered as a prudent industry contractor then all costs incurred for rectifying "Errors" shall be borne by the Supplier.

## **8. DELAYS**

**8.1** If a Delivery or parts thereof are delayed due to the Supplier, then the Supplier shall pay delay liquidated damages for each delay. Such delay liquidated damages shall be 0.5% of the Order Amount for each calendar Day of delay.

**8.2** Delay liquidated damages shall not exceed 15% of the Order Amount and they shall become due and payable instantly upon written demand of Valmont SM.

**8.3** Valmont SM can at any time terminate Deliveries, the PO or PA partially or in total, due to the Supplier's delay if liquidated damages reaches the maximum amount.

**8.4** Valmont SM shall be entitled to Order the total Delivery or parts hereof from another Supplier at the expense of the Supplier, if Valmont SM terminates the Delivery due to Supplier's delay.

**8.5** If the Supplier is unable to deliver the Goods and/or Services at the time agreed between the Parties, it shall immediately notify Valmont SM in writing, indicating the reason for the delay as well as the date on which Delivery is expected to take place.

**8.6** A notification of delayed Delivery to Valmont SM does not give the Supplier the right to delay the time of Delivery, unless the delay is due to circumstances described in art. 17, Force Majeure.

## **9. DOCUMENTATION**

**9.1** All Deliveries of Goods and/or Services shall be accompanied by the agreed Documents, which shall as a minimum include:

(a) EU approved certificate of origin for Goods from non-EU countries; (b) Delivery note with specifications of the Goods indicating Valmont SM's PO number; (c) Documents, certificates, drawings, operating instructions, maintenance instructions, technical specifications and data of any sort; (d) Hazardous Goods certificates & handling procedures (if applicable).

**9.2** If the accompanying Documents are inadequate or subject to a fault, Delivery shall be considered as being incomplete until the Documents are in compliance.

**9.3** All Documents required in accordance with the above shall become the property of Valmont SM at (i) creation, (ii) Delivery or (iii) upon payment, whichever comes first, and Valmont SM shall be entitled to use (free of charge) the documentation or Documents as it sees fit.

## **10. CONFIDENTIALITY AND NON-COMPETE**

**10.1** Neither Party may disclose to any Third Party any Confidential Information.

**10.2** Confidential Information shall not encompass any information;

(a) which is or becomes publicly accessible without the breach of the PO or PA by a Party; (b) which a Party lawfully possessed prior to receiving from the other Party; (c) which was rightfully obtained from a Third Party, which has no secrecy obligations; (d) developed independently from any of the Deliveries under these GPCs; (e) which under obligation by law or judgement or a similar legally binding decision is to be disclosed;

**10.3** A breach of this article 10 shall entitle Valmont SM to a payment of any and all direct or indirect loss as documented by Valmont SM.

**10.4** The Supplier undertakes not to engage in or participate in the operation of any business with Valmont SM's customer related to the PO or PA without Valmont SM's prior written consent, during the term of the PO or PA and for a period of 2 years following. If the supplier fails to do so, the Supplier shall pay forthwith a compensation of Valmont SM's documented losses.

## **11. INTELLECTUAL PROPERTY RIGHTS / IPR**

**11.1** The Order Amount includes an irrevocable, non-exclusive, worldwide and fully paid up licence, to any and all IPR related to the Supplier's Goods and Services.

**11.2** The Supplier shall indemnify Valmont SM against all claims and losses for violation of any IPR as a result of any of Supplier's Delivery of Goods and Services.

**11.3** If requested by Valmont SM, the Supplier shall enter legal proceedings at the court of law or arbitration which deals with any IPR claim made against Valmont SM by a Third Party.

**11.4** All IPR arising as a result of the cooperation between the Parties will become the exclusive property of Valmont SM, cost free, even if they are developed or produced by the Supplier or any third parties or Sub-Suppliers of the Supplier.

## **12. WARRANTY**

**12.1** The Supplier warrants that the Deliveries, Goods, Services and the design delivered is; (i) fit for the purpose for which they are intended according to specifications, (ii) are free from Defects and (iii) are in compliance with and in

conformity with industry practices and quality standards, and (iv) are in compliance with the obligations and conditions specified in the PO and / or PA.

**12.2** The Supplier also warrants that Deliveries are in accordance with the necessary and/or correct, stipulated and appropriate proportions, measurements, weights and dimensions.

**12.3** The Supplier Warranty period shall be 24 months counted from installation, commissioning or takeover by Valmont SM of such Goods and/or Services or from takeover by a Third Party to which Valmont SM has resold the Goods and/or Services, whichever date is the latest.

**12.4** Goods or Services which have been substituted, replaced, or repaired under the Supplier's Warranty will be warranted for an additional 12 months from such substitution, replacement or repair, notwithstanding whether corrective action is performed by a Third Party, the Supplier shall not be released from its Warranty obligations. Regardless of the above mentioned the Warranty period shall never be less than 24 month.

**12.5** In case of Defects, Valmont SM shall be entitled to either terminate the PO or PA or demand that the Supplier make good the aforementioned or that a Third Party shall rectify or repair the Defect at Supplier's risk and cost or to make use of any other legal remedies under applicable law.

**12.6** Defects are remedied without delay and according to Valmont SM's instructions. Remedy of Defects shall be at Suppliers' risk and cost of any kind. Remedies performed by a Third Party shall not release Supplier from its Warranties herein.

**12.7** Valmont SM can make a claim for damages or any other claim to the Supplier for any documented loss suffered by Valmont SM if related to the Scope of Supply.

## **13. TRANSFER OF OWNERSHIP**

**13.1** Prior to Delivery to Valmont SM, the Supplier is obliged to identify, classify and document the Goods as early as possible by distinct and unmistakable markings and labels with Valmont SM's name.

**13.2** Deliveries are made without retention of ownership, lines and other securities and become Valmont SM's property as soon as the Goods have been delivered at any Valmont SM site or put at Valmont SM's disposal, whichever comes first.

## **14. ASSIGNATION**

**14.1** The Supplier shall not assign or transfer its interest and/or any of its obligations under the PO or PA without Valmont SM's prior written consent. Valmont SM can assign any PO, PA or Delivery internally in their company group as deemed fit by Valmont SM.

**14.2** Should the control of the Supplier be changed either directly and/or indirectly through ownership of shares, changes in voting and/or financial or financing changes during the term of PO or PA, then Valmont SM is entitled at its discretion to terminate the PO or PA with immediate effect.

**14.3** Valmont SM shall be entitled to assign rights of any kind in these GPCs, in the PO or PA, fully or partially to Valmont SM's Customers without the Suppliers consent.

## **15. INSURANCE**

**15.1** The Supplier shall be obliged to take out insurance cover, including general, public and product liability, covering with a minimum liability limit of the relevant industry standard and laws for personal injury and damage to property respectively.

**15.2** The Supplier shall produce a copy of relevant insurance certificates on request by Valmont SM.

**15.3** Valmont SM is in no way responsible for or cannot be made liable under any circumstances for any claims related to the insurance cover of the Supplier.

**15.4** If a Third Party takes legal proceedings against Valmont SM due to personal injury or damage to property caused by the delivered Goods and/or Services, the Supplier must immediately fully indemnify Valmont SM against such damages to the extent that Valmont SM is held liable towards a Third Party for any such damages.

## **16. LIABILITY**

**16.1** Supplier shall hold Valmont SM harmless for and shall defend, protect, indemnify from and against any loss, claim, liability, demand, damages and costs whatsoever in respect of; (i) injury to or death of any of their own personnel ("Personnel") and (ii) their own assets, Goods and Services, facilities, tools, equipment and/or personal belongings, owned, chartered, hired or leased ("Assets"), which may arise in connection with the performance of the Delivery .

**16.2** Regardless of article 16.1 any Goods, Services or Deliveries, assets or works belonging to a Third Party or to Valmont SM which is in the custody of the Supplier shall remain the Supplier's liability until acceptance of Delivery by Valmont SM. Custody includes storing, transporting, lifting etc. by Supplier or his Sub-Supplier.

## **17. FORCE MAJEURE**

**17.1** No Party shall be liable for not performing or performing with delay any of its rights and/or obligations under the terms of the PO or PA due to Force Majeure, and each Party shall pay for their own costs, fees, and similar expenditures due to any Force Majeure.

**17.2** The Party who wishes to claim Force Majeure shall within 3 Days of the occurrence of the event of Force Majeure notify the other Party in writing hereof.

**17.3** The Parties, without either Party owing any money or any financial compensation to each other, shall be able to annul the PO or PA through written notice to the other Party, if the fulfilment of the agreement is hindered for a period of more than 3 months by an event of Force Majeure. And in such a case, Valmont SM may against payment in its absolute discretion take possession of Deliveries already made.

**18. CODE OF CONDUCT AND ANTI-BRIBERY**

**18.1** The Supplier hereby commits itself to read and abide by Valmont SM's Code of Conduct (Link to '[Code of Business Conduct](#)') and Valmont SM's Anti-Corruption policy.

**18.2** Non-compliance with this Code of Conduct and the Anti-Corruption Policy shall be considered a material breach of contract.

**19. EHS PRINCIPLES / CONDITIONS**

**19.1** The Supplier and their Sub-Supplier shall comply with all applicable federal, state, and local environmental, health and safety (EHS) laws, regulations and standards.

**19.2** The Supplier and their Sub-Suppliers shall support and respect the protection of internationally proclaimed human rights, and make sure that they are not complicit in human rights abuses.

**19.3** The supplier and their Sub-Suppliers shall uphold the freedom of association and the effective recognition of the right to collective bargaining, eliminate of all forms of forced and compulsory labour, effective abolition of child labour, and eliminate discrimination in respect of employment and occupation.

**19.4** The supplier and their Sub-Suppliers shall support a precautionary approach to environmental challenges, undertake initiatives to promote greater environmental responsibility, and encourage the development and diffusion of environmentally friendly technologies.

**19.5** The supplier and their Sub-Suppliers shall work against corruption in all its forms, including extortion and bribery.

**20. VARIATIONS**

**20.1** Valmont SM is entitled to issue a Variation Order for the Deliveries.

**20.2** Thereafter the Supplier shall within 3 Days after receipt of the Variation Order issue a Variation Order Request as a written document that details the time effect, the financial and any other effects of the Variation Order.

**20.3** Valmont SM shall either accept or reject such a Variation Order Request after a reasonable period of time from its receipt. If the Variation Order Request is accepted by Valmont SM, the Delivery is made according to the amended PO issued by Valmont SM to the Supplier. If the Variation Order Request is not accepted by Valmont SM, the conditions of the Delivery are unchanged.

**20.4** Supplier shall observe and be bound by the stipulated timeline.

**21. SUSPENSION**

**21.1** Valmont SM has the right to suspend (temporarily put on hold) Deliveries with the Supplier at any given time at its exclusive discretion during the project execution. Supplier shall receive and be reimbursed its costs in this respect, if the Supplier is not the root cause behind the suspension. If the Supplier is liable for a situation of suspension, then the Supplier is liable for any of Valmont SM's costs in connection with any such suspension.

**22. TERMINATION**

**22.1** Valmont SM is at any time entitled to terminate Deliveries, the PO or PA in whole or in part for Valmont SM's convenience with immediate effect.

**22.2** Upon receipt of termination for convenience, the Supplier must immediately cease all work or sub-supply on any PO, PA or Order, and make the necessary arrangements to limit Valmont SM's loss as much as practically possible.

**22.3** In case the Deliveries, PO or PA is terminated for convenience Valmont SM must pay for Goods and/or Services already delivered and/or rendered up and until the date of Valmont SM's termination, and must reimburse the Supplier's fair and documented expenses and costs. This reimbursement will be full and final, and the Supplier will not be entitled to make any further claim against Valmont SM.

**22.4** In case the Deliveries, PO or PA is terminated by Valmont SM due to the non-performance or breach by the Supplier or its Sub-Suppliers, Valmont SM will be entitled to pursue any legal remedies available under the PO or PA and the applicable laws, including the right to claim Valmont SM's documented losses or damages from the Supplier.

**22.5** Provided the Supplier is declared bankrupt, opens up negotiations concerning consolidation or enters any other form of insolvency proceedings, or is unable to pay its creditors Valmont SM shall be entitled to terminate the Deliveries, PO or PA without prior notice and with immediate effect.

**23. APPLICABLE LAW AND DISPUTE RESOLUTION**

**23.1** These GPCs are governed by and construed in accordance with the substantive law of Denmark.

**23.2** Valmont SM may at its own discretion choose to have any dispute settled by the Danish Arbitration courts in Copenhagen according to the Danish applicable law on Arbitration at the time of the dispute or to choose to have any dispute settled in the Civil Court of Denmark.