

General purchasing terms and conditions

CARRIER MARINE & OFFSHORE

ARTICLE 1 - DEFINITIONS

GPTC: these general purchasing terms and conditions

Client: Carrier Transicold Ltd Marine & Offshore Group

Contractor: any legal and/or natural person with which/whom the Client enters into a written agreement.

Agreement: the written agreements between the Client and the Contractor.

Operations: the supply of goods, provision of services or the execution of work.

Performing Operations: the supply (of goods, services) or supply (performance) of Operations.

ARTICLE 2 - APPLICABILITY

- 2.1 These GPTC apply to all Agreements for the performance of Operations by the Contractor for the Client, as well as to every offer by the Contractor and all quote requests and assignments from the Client.
- 2.2 The general sales terms and conditions of the Contractor, regardless of their nature, do not apply.

ARTICLE 3 - ESTABLISHMENT OF THE AGREEMENT

- 3.1 Price quotes of the Contractor are considered irrevocable, unless the price quote states clearly and in writing that it is free of any obligation. All expenses related to drawing up a price quote are at the expense of the Contractor.
- 3.2 Assignments are only binding for the Client if they have been provided by the Client in writing and have been confirmed in writing by the Contractor within fourteen (14) days of the date of the assignment. Through such confirmation, the Contractor declares to agree with these GPTC. If the Contractor performs an Operation or makes preparations to do so before having received the written assignment, it does so at its own expense and risk.
- 3.3 If the Contractor fails to confirm the assignment within the term set, the Client reserves the right to revoke the assignment. If the Contractor confirms the assignment with notes or other changes, these changes are considered not to exist unless they are explicitly approved in writing by the Client.

ARTICLE 4 - EXECUTION OF THE AGREEMENT

- 4.1 The execution of the Agreement must take place in the way and at the time stipulated in the Agreement. The deadlines are binding, and the Contractor is immediately in default simply by the deadline not being met. In case of exceeding a deadline, a fine is immediately due from the Contractor equal to 1% of the assignment value per day that the deadline is exceeded, without prejudice to any other rights of the Client.
- 4.2 The Contractor shall execute the Agreement making use of the correct materials and employing sufficient and qualified staff and/or third parties. The Contractor is at all times responsible for the tools, staff and/or third parties to be used in this respect.
- 4.3 The Contractor shall not transfer or outsource the execution of the Agreement or any part thereof to a third party without the prior written consent of the Client. Such permission shall not release the Contractor from any of its obligations or from its liability for actions on the part of those it has involved in the execution of the Agreement.
- 4.4 Supplying more or less than the amount ordered or partial delivery is not possible, unless expressly agreed otherwise in writing.
- 4.5 Supply also includes supply of all related tools and all related documentation, such as but not limited to drawings, quality, inspection and warranty certificates, instruction manuals and manuals.
- 4.6 Supply of goods takes place with delivery free of charge at the agreed address, unless agreed otherwise expressly and in writing.
- 4.7 The Supply of Operations is considered complete at the moment when the Client has approved the Operations.
- 4.8 The Contractor is an independent party and can never be considered an employee or agent of the Client.

ARTICLE 5 - INSPECTION

- 5.1 The Client reserves the right to refuse Operations within a term of sixty (60) days after Supply if the Operations are not in compliance with the Agreement. After a refusal of Operations, the Client shall store the refused Operations, or have them stored, at the expense and risk of the Contractor.
- 5.2 Approval of Operations by the Client does not release the Contractor from its liability for any visible or hidden shortcomings in the Operations not detected by the Client during inspection. Neither does inspection release the Contractor from any other obligation, such as but not limited to its obligations under article 9.
- 5.3 If, after consultation with the Contractor or based on the circumstances, it may reasonably be concluded that the Contractor cannot properly handle the replacement or rectification of the faulty Operations, or cannot do so on time,

the Client shall be entitled to immediately terminate the Agreement with the Contractor, without prejudice to the other rights of the Client, including the right to claim compensation for damages.

ARTICLE 6 - PACKAGING AND TRANSPORT

- 6.1 Goods must be packaged in such a way that, in a normal transport situation, they can reach their destination in good condition and can be unloaded and stored with standard means of transport. The Contractor is liable for damage caused by insufficient packaging. In the case of loaned packaging and in case packaging material is charged, this must be stated separately on the way bill and the invoice. Loaned packaging must be clearly designated as such by the Contractor. Returning the loaned packaging is done at the expense and risk of the Contractor to a destination that is to be indicated by the same.
- 6.2 Each shipment must have a packing list indicating the assignment number and, if applicable, the item code number of the Client, as well as a description of the goods and the number of goods in the shipment.
- 6.3 The Contractor shall package and transport the goods at its own expense and risk, in compliance with the applicable laws, regulations and requirements.

ARTICLE 7 - QUALITY REQUIREMENTS

- 7.1 The Contractor must execute the Agreement in accordance with the technical norms and standards, as stated in the Agreement (as well as in accordance with the specific requirements that apply to the location of export), and comply with all permits, safety and environment requirements imposed by the authorities.
- 7.2 The Contractor guarantees that the Operations comply with the descriptions included in the Agreement and are free from any faults making them unsuitable for normal use or the use known by the Contractor.
- 7.3 The Contractor is liable for all damage ensuing from the incorrect handling, presence, or improper disposal of dangerous and/or harmful substances, including but not limited to asbestos, CFCs and halons.

ARTICLE 8 - PAYMENT

- 8.1 The prices stated in the assignment are fixed and may not be changed and/or adjusted by the Contractor unilaterally. Unless explicitly agreed otherwise in writing, the agreed prices include: a) all costs, e.g. for packaging, transport, insurance, travel and accommodation expenses and b) all taxes and levies, e.g. import and export duties, excluding VAT.
- 8.2 Payment takes place within sixty (60) days after receipt of the invoice, provided the Operations have been approved. An invoice may only be submitted after Supply of the Operations.
- 8.3 If the Contractor fails to meet an obligation in whole or in part, the Client shall be entitled to suspend payment to the Contractor.
- 8.4 Payment by the Client does not represent a waiver of rights in any way.
- 8.5 The Client is authorised to set off receivables of the Contractor toward it to receivables it has toward the Contractor at all times and of any nature.

ARTICLE 9 - GUARANTEE

- 9.1 The guarantee period is as stated in the Agreement. In absence of any explicit statement in the Agreement, the guarantee period shall amount to at least twelve (12) months. The guarantee period starts at the moment of approval of the Operations by the Client in accordance with article 4.7.
- 9.2 During this guarantee period, the Contractor guarantees the quality of the Operations and guarantees that these Operations comply with the Agreement. This guarantee covers at least the following:
 - the Operations are fit for the purpose for which the assignment was placed and the Agreement was entered into;
 - the goods delivered or used are new, are of good quality and are free from faults or third-party rights;
 - the services shall be performed in a professional and uninterrupted manner;
 - the goods, materials and/or tools have an indication that shows the producer or the party that put the goods, materials and/or tools on the market; and
 - the Operations are provided with and accompanied by all data and instructions that are needed for correct and safe use.
- 9.3 If that which has been supplied - regardless of results of any prior inspections - turns out not to comply with the stipulations of section 2 of this article, the Contractor shall repair, replace or supply whatever is missing regarding the Operations at its expense and at the choice of the Client upon the latter's first request, unless the Client prefers termination of the Agreement in accordance with article 14.1. All related costs (including those of repair and dismantling) are at the expense of the Contractor. After

acceptance of operations under the guarantee, a new guarantee period starts with the same duration.

- 9.4 In urgent cases and in cases where consultation with the Contractor can reasonably lead to the conclusion that the Contractor shall fail to comply with its guarantee obligations, the Client shall have the right to repair or replace the goods in question at the expense of the Contractor or have this executed by third parties. This shall not release the Contractor from its obligations under the Agreement.

ARTICLE 10 - INTELLECTUAL PROPERTY

- 10.1 The Contractor guarantees that the Operations do not violate its own intellectual property rights and/or those of third parties.
- 10.2 The Contractor shall indemnify the Client against all claims involving a violation of the intellectual property rights of third parties and shall compensate the Client for any damages that result from the same.
- 10.3 All drawings, materials and tools provided by the Client or made or purchased by the Contractor at the expense of the Client are owned by the Client and shall be immediately claimable by the Client at all times. The Contractor shall manage and maintain these tools at its expense and risk. It shall not use them for, or allow them to be used by, third parties, unless it has obtained written permission from the Client, nor shall it show the drawings to third parties or provide the knowledge therein to third parties.

ARTICLE 11 - CONFIDENTIALITY

- 11.1 The Contractor is required to observe strict confidentiality regarding the information of which it becomes aware in the context of the execution of the Agreement.
- 11.2 The Contractor is not allowed to publicly disclose the existence or execution of the Agreement in any manner without the prior written consent of the Client.

ARTICLE 12 - LIABILITY

- 12.1 Any shortcoming regarding compliance with the obligations on the part of the Contractor shall give the Client the right to require the Contractor to fully or partially rectify the shortcoming at its own expense and risk.
- 12.2 The Contractor is liable for all damages that the Client and/or third parties suffer as a result of (a shortcoming involving) the Operations and/or as a result of the actions or failure to act on the part of the Contractor, its staff or third parties employed by it. The liability of the Contractor involves direct as well as indirect damages.
- 12.3 The Contractor indemnifies the Client against all claims from third parties relating to the Agreement. The indemnification also covers all damage and costs the Client suffers in this regard.
- 12.4 The Contractor shall take out sufficient insurance cover for the liability referred to in this article. This insurance obligation also applies to aids that are involved in the execution of this Agreement in any manner.
- 12.5 The Client is not liable for damages suffered on the part of the Contractor, its staff and/or the third parties employed by the Contractor unless the damages are the result of a gross error, gross negligence or malicious intent on the part of the Client.

ARTICLE 13 - FORCE MAJEURE

- 13.1 In case of force majeure compliance with the Agreement shall be wholly or partially suspended for the duration of the period of force majeure, without either of the parties being obliged to pay damages to the other party. If the period of force majeure exceeds a period of thirty (30) days, the other party shall have the right to terminate the Agreement by means of a registered letter with immediate effect, without the intervention of a court and without any obligation to pay damages. On the side of the Contractor, lack of staff, strikes, non-performance of third parties employed by the Contractor, absence of resources, liquidity or solvency problems shall not in any case be considered force majeure.

ARTICLE 14 - TERMINATION

- 14.1 The Client is authorised to wholly or partially suspend the execution of the Agreement or to wholly or partially terminate the Agreement through a written statement without the intervention of a court (without any compensation for damages being due from the Client) in case of: a) suspension of payment or bankruptcy on the part of the Contractor or application for the same, b) sale or termination of the company of the Contractor, c) the Contractor being placed under guardianship or judicial sequestration, d) revocation of the permits of the Contractor that are needed for the execution of the Agreement, e) death of the Contractor, f) seizure of an important part of the company resources of the Contractor or goods required for the execution of the Agreement, or g) failure of the Contractor to meet any of the obligations in the Agreement,

including the stipulations of the UTC Supplier Code of Conduct.

- 14.2 In the event of termination in accordance with the first section of this article, the Client shall have no obligation to make any further payments to the Contractor and all receivables the Client may have or receive vis-à-vis the Contractor shall be immediately due in full. The foregoing shall not affect the right of the Client to hold the Contractor liable for all damages resulting from the termination.
- 14.3 Also in cases other than that referred to in the first section of this article, the Client shall have the right to terminate the Agreement with immediate effect and unilaterally by means of a registered letter with confirmation of receipt. In case of such termination, the Contractor may only claim payment according to the status of Operations under said Agreement at the time of termination, with payment being limited to the Operations that have been supplied to the satisfaction of the Client.

ARTICLE 15 - RISK AND OWNERSHIP

- 15.1 The risk regarding the Operations is transferred to the Client once the Client has explicitly approved of the Operations.
- 15.2 Ownership of the Operations is transferred to the Client at the time of supply. The Contractor guarantees that the full and unencumbered ownership is gained. The Contractor waives, in advance, all rights and competences to which it is entitled based on liens or based on advertising rights.
- 15.3 If the Operations are rejected by the Client, the risk and ownership shall be considered to never have been transferred to the Client.

ARTICLE 16 - OBSERVANCE OF THE LAW

- 16.1 The Contractor must ensure that all prescriptions that arise from the applicable laws and regulations, including those regarding safety, health and environment, are complied with at all times.
- 16.2 The Contractor guarantees that it shall meet all its legal obligations regarding payment of income withholding tax and meticulously comply with applicable Collective Labour Agreements. Upon the first request of the Client the Contractor shall provide a recent statement of payment behaviour regarding income withholding tax from the Tax Authorities. If the Client is required to pay any social security charges or income withholding tax for the Contractor or any third parties employed by it, or value added tax to be charged, the Client may claim these from the Contractor, without prejudice to the rights the latter has towards third parties in this regard. The above-mentioned amount shall be immediately due without intervention from a court. Legal interest shall be due from the Contractor for the amount, starting from the day that the Client has been held liable up to and including the day of complete reimbursement of the amount. In addition, the Client shall always have the right to pay any social security charges, income withholding tax and social insurance contributions that are due, and for which the Client may be held jointly liable, to the Contractor on its blocked account under the Sequential Liability Law (Wet Ketenaansprakelijkheid) (G-account).
- 16.3 The Contractor indemnifies the Client from all claims regarding income withholding tax, value added tax and social security contributions in relation to the Agreement.
- 16.4 The Contractor undertakes to only process personal details of the Client or its staff if it has been explicitly permitted to do so by the Client, and subject to strict compliance with the applicable regulations in this regard.

ARTICLE 17 - SUPPLIER CODE OF CONDUCT

- 17.1 The Contractor has read the Supplier Code of Conduct (www.utc.com/Suppliers/Pages/Supplier-Code-of-Conduct.aspx) and undertakes to comply with the stipulations thereof, including:
- compliance with all applicable laws, including legislation regarding the prohibition of collusion, conflict of interests, corruption and unfair trade practices at all times;
 - refraining from (directly or indirectly) offering, promising, trying to provide or providing any corrupt payment or any share or financial interest in the Contractor to any member of staff at the Client or government official at all times;
 - promptly and accurately registering all transactions and costs relating to the Client's operations in the accounting.

ARTICLE 18 - ANTI-TERRORISM SCREENING AND LIST OF REFUSED PARTIES

- 18.1 Based on the company name and country of establishment, the Client checks whether contractors (potential or existing) have been included in anti-terrorism lists, sanctions lists or lists of refused parties, including the

lists published by the EU, the United States and other countries and international organisations. The check is performed via an automated database of a service provider currently located in the United States, with which a data transfer agreement has been entered into in order to ensure protection of personal data. If the name of a contractor appears to correspond with a person or company on the list, other details that the Client has received from the contractor are also used to check whether there truly is a match with the party on the list. The Client does not do business with a contractor who is on such a list if and to the extent that the applicable law or UTC policy prohibits the Client from doing so. In order to gain access to personal details or in order to update them, the Contractor may contact the Client by email at marine.orders@carrier.utc.com or by phone on +31102380100. If this policy changes, the Client shall inform the Contractor accordingly to the extent required by law.

- 18.2 Every assignment is given under the condition precedent of a favourable outcome of the check under the first section of this article. If during the execution of the agreement it turns out that the screening of the Contractor leads to an unfavourable outcome, this shall immediately relieve the Client of its obligations and allow the Client to terminate the agreement with immediate effect, without prejudice to the right of the Client to claim all damages resulting from this from the Contractor and without the Contractor being able to claim any damages in this regard.

ARTICLE 19 - AUDIT

- 19.1 The Contractor accepts that the Client shall have sufficient access at all times to its premises, staff, accounting and administration such that the Client may through inspection and reproduction evaluate and verify compliance with the Agreement, as well as with the accounting principles and professional practices that are related to the Agreement.

ARTICLE 20 - APPLICABLE LAW AND JURISDICTION

- 20.1 Dutch law shall apply to all disputes that arise from or are related to this Agreement. The competent court at Rotterdam shall have authority in this regard.
- 20.2 Any extra-judicial costs incurred by the Client for collecting any amounts due from the Contractor that have not been paid in a timely manner shall be at the expense of the Contractor; these costs are set at 15 percent of the amount to be collected unless the Client proves that it has incurred higher costs.

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