

## **Philips Lighting Italy S.p.A. - General Conditions of Purchase**

### **1. Definitions**

In this document: (a) "Affiliate(s)" shall mean (i) in the case of Philips Lighting Italy S.p.A., Philips Lighting Holding B.V. and (ii) in the case of Philips Lighting Italy S.p.A. and Supplier: any and all other companies, firms and legal entities with respect to which now or hereafter Philips Lighting Holding B.V. or Supplier respectively, directly or indirectly holds 50% or more of the nominal value of the issued share capital or 50% or more of the voting power at general meetings or has the power to appoint a majority of directors or otherwise to direct the activities of such company, firm or legal entity; in the case of Philips Lighting Italy S.p.A., the Affiliates of Philips Lighting Italy S.p.A. may be listed for convenience purposes in the Eligible Buying Locations list available at the Supplier Website (b) "Agreement" shall mean the binding contract formed as described in Clause 2.1 herein; (c) "APAC" shall mean the Middle Eastern, Asian and other Pacific countries (d) "Goods" shall mean both tangible and intangible goods, including software and related documentation and packaging; (e) Intellectual Property Rights" (or "IPRs") shall mean patents, utility models, industrial design rights, copyrights, database rights, trade secrets, any protection offered by law to Information, semiconductor IC topography rights and all registrations, applications, renewals, extensions, combinations, divisions, continuations or reissues of any of the foregoing or which otherwise arises or is enforceable under the laws of any jurisdiction or any bi-lateral or multi-lateral treaty regime; (f) "LATAM" shall mean the Latin American countries, excluding Argentina; (g) "Personal Data" shall mean any and all information relating to an identified or identifiable individual, including but not limited to Philips Lighting Italy S.p.A. current or former employees, employee family members, dependents or beneficiaries, customers, consumers, suppliers, business partners or contractors; (h) "Philips Lighting Italy S.p.A." (hereinafter "Philips Lighting") shall mean the purchasing Affiliate of Philips Lighting Holding B.V. identified in Philips Lighting's order and where applicable includes other Affiliates of Philips Lighting; (i) "Processing" shall mean any operation or set of operations performed or to be performed upon Personal Data, whether or not by automatic means, such as creation, access, collection, recording, organization, storage, loading, employing, adaptation or alteration, retrieval, consultation, displaying, use, disclosure, dissemination or otherwise making available, alignment or combination, blocking, erasure or destruction (hereinafter also referred to as a verb "Process"); (j) "Open Source Software" shall mean (1) any software that requires as a condition of use, modification and/or distribution of such software, that such software: (i) be disclosed or distributed in source code form; (ii) be licensed for the purpose of making derivative works; (iii) may only be redistributed free from enforceable IPRs; and/or (2) any software that contains, is derived from, or statically or dynamically links to, any software specified under (1); (k) "Services" shall mean the services to be performed by Supplier for Philips Lighting under the Agreement; (l) "Supplier" shall mean each person or entity (including, where relevant, its Affiliates) that enters into the Agreement; (m) "Supplier Website" shall mean the website hosted by Philips Lighting Holding B.V. providing relevant information about how Philips does business with its suppliers at [www.lighting.philips.com/main/company/about/suppliers](http://www.lighting.philips.com/main/company/about/suppliers); (n) "Work Product" shall mean all deliverables (including future deliverables) and other data, reports, works, inventions, know-how, software, improvements, designs, devices, apparatus, practices, processes, methods, drafts, prototypes, products and other work product or intermediate versions thereof produced or acquired by Supplier, its personnel or its agents for Philips Lighting in the performance of Services under the Agreement.

### **2. Formation of the Agreement**

2.1. These General Conditions of Purchase, together with the relevant Purchase Order issued by Philips Lighting, set forth the terms under which Philips Lighting's offers to purchase Goods and/or Services from Supplier. When Supplier accepts Philips Lighting's offer, either by acknowledgement, delivery of any Goods and/or commencement of performance of any Services, a binding contract shall be formed. Such Agreement is limited to these General Conditions of Purchase as specified on the face and reverse of this document, the relevant Purchase Order and any attachments. Philips Lighting does not agree to any proposed amendment, alteration, or addition by Supplier. The Agreement can be varied only in writing signed by Philips Lighting. Any other statement or writing of Supplier shall not alter, add to, or otherwise affect the Agreement.

2.2. Philips Lighting is not bound by and hereby expressly rejects Supplier's general conditions of sale and any additional or different terms or provisions that may appear on any proposal, quotation, price list, acknowledgment, invoice, packing slip or the like used by Supplier. Course of performance, course of dealing, and usage of trade shall not be applied to modify these General Conditions of Purchase.

2.3. All costs incurred by Supplier in preparing and submitting any acceptance of Philips Lighting's offer shall be for the account of Supplier.

### **3. Time of the Essence**

Time is of the essence and all dates referred to in the Agreement shall be firm. In the event that Supplier anticipates any difficulty in complying with any delivery date or any of its other obligations under the Agreement, Supplier shall promptly notify Philips Lighting in writing.

### **4. Delivery of Goods**

4.1. Unless expressly agreed otherwise in writing, all Goods shall be delivered FCA (named port or place of departure) except that maritime transport shall be delivered FOB (named port of shipment) (as defined in the Incoterms 2010) final destination determined by Philips Lighting.

4.2. Delivery shall be completed as per the applicable Incoterm, but this shall not constitute acceptance of the Goods.

4.3. Supplier shall, concurrently with the delivery of the Goods, provide Philips Lighting with copies of all applicable licenses. Each delivery of Goods to Philips Lighting shall include a packing list which contains at least (i) the applicable order number, (ii) the Philips Lighting part number, (iii) the quantity shipped, and (iv) the date of shipment.

4.4. Supplier shall make no partial delivery or delivery before the agreed delivery date(s). Philips Lighting reserves the right to refuse delivery of Goods and return same at Supplier's risk and expense if Supplier defaults in the manner and time of delivery or in the rate of shipment. Philips Lighting shall not be liable for any costs incurred by Supplier related to production, installation, assembly or any other work related to the Goods, prior to delivery in accordance with the Agreement.

4.5. Any design, manufacturing, installation or other work to be performed by or on behalf of Supplier under the Agreement shall be executed with good workmanship and using proper materials.

4.6. Supplier shall pack, mark and ship the Goods in accordance with sound commercial practices and Philips Lighting's specifications in such manner as to prevent damage during transport and to facilitate efficient unloading, handling and storage, and all Goods shall be clearly marked as destined for Philips Lighting. Notwithstanding the provisions of the applicable Incoterms, Supplier shall be responsible for any loss or damage due to its failure to properly preserve, package, handle (before delivery as per the applicable Incoterm) or pack the Goods; Philips Lighting shall not be required to assert any claims for such loss or damage against the common carrier involved.

## **5. Changes to Goods**

Supplier shall not, without prior written consent of Philips Lighting, make any changes affecting Goods, including process or design changes, changes to manufacturing processes (including geographic location) changes affecting electrical performance, mechanical form or fit, function, environmental compatibility, chemical characteristics, life, reliability or quality of Goods or changes that could have significant impact upon Supplier's quality system.

## **6. Inspection, Testing, Rejection of Goods**

6.1. Inspection, testing of or payment for the Goods by Philips Lighting shall not constitute acceptance. Inspection or acceptance of or payment for the Goods by Philips Lighting shall not release Supplier from any of its obligations, representations or warranties under the Agreement.

6.2. Philips Lighting may, at any time, inspect the Goods or the manufacturing process for the Goods. If any inspection or test by Philips Lighting is made on the premises of Supplier, Supplier shall provide reasonable facilities and assistance for the safety and convenience of Philips Lighting's inspection personnel.

6.3. If Philips Lighting does not accept any of the Goods, Philips Lighting shall promptly notify Supplier of such rejection, and Clause 11 below shall apply. Within two (2) weeks from such notification, Supplier shall collect the Goods from Philips Lighting at its own expense. If Supplier does not collect the Goods within said two (2) week period, Philips Lighting may have the Goods delivered to Supplier at Supplier's cost, or with the Supplier's prior consent destroy the Goods, without prejudice to any other right or remedy Philips Lighting may have under the Agreement or at law. Goods not accepted but already paid by Philips Lighting shall be reimbursed by Supplier to Philips Lighting and Philips Lighting shall have no payment obligation for any Good not accepted by Philips Lighting.

6.4. If, as a result of sampling inspection, any portion of a lot or shipment of like or similar items is found not to conform to the Agreement, Philips Lighting may reject and return the entire shipment or lot without further inspection or, at its option, complete inspection of all items in the shipment or lot, reject and return any or all nonconforming units (or accept them at a reduced price) and charge Supplier the cost of such inspection.

## **7. Performance of Services**

7.1. Supplier shall perform the Services with due skill and care, using the proper materials and employing sufficiently qualified staff.

7.2. Supplier shall be fully liable for the acts and omissions of any and all third parties with which it has contracted in connection with the Services.

7.3. Only written confirmation by Philips Lighting shall constitute acceptance of the Services performed. If Philips Lighting does not accept the Service and/or Work Product(s), Clause 11 below shall apply. Philips Lighting shall promptly notify Supplier of such rejection, and Supplier will, at its own expense, carry out the necessary corrections, additions and modifications reasonably requested by Philips Lighting in writing within thirty (30) days of such notification.

## **8. Prices; Payment**

8.1. Unless provided otherwise in the Purchase Order, title in the Goods shall pass to Philips Lighting at the time risk is transferred to Philips Lighting pursuant to the applicable Incoterm.

8.2. All prices quoted in the Agreement shall be fixed prices. Supplier warrants that such prices are not in excess of the lowest prices charged by Supplier to other similarly situated customers for similar quantities of Goods or Services of like kind and quality.

8.3. (i) All prices are gross amounts but exclusive of any value added tax (VAT), sales tax, GST, consumption tax or any other similar tax only. (ii) If the transactions as described in the Agreement are subject to any applicable VAT, sales tax, GST, consumption tax or any other similar tax, Supplier may charge VAT, sales tax, GST, consumption tax or any other similar tax to Philips Lighting, which shall be paid by Philips Lighting in addition to the prices quoted. Supplier is responsible for paying any applicable VAT, sales tax, GST, consumption tax or any other similar tax to the appropriate (tax) authorities. At or after the time delivery has been completed as per Clause 4.2 but ultimately within six months from delivery, Supplier shall issue an invoice meeting all applicable legal and fiscal requirements and which shall contain: (i) the Philips Lighting purchase order number, and (ii) wording that shall allow Philips Lighting to take advantage of any applicable "input" tax deduction. In addition, Supplier shall inform Philips Lighting whether Philips Lighting is allowed to apply for an exemption if and to the extent allowed under applicable law in such specific situation.

8.4. Any license fees shall be included in the price.

8.5. Subject to the acceptance of the Goods, Services and/or Work Product by Philips Lighting, and unless provided otherwise in the Purchase Order, payment shall be made as follows: (a) if the Philips Lighting ordering entity is located in EU, within sixty (60) days from receipt of the correct invoice; or (b) if the Philips Lighting ordering entity is located in APAC or LATAM (except for Argentina), within ninety five (95) days from the end of the month of the receipt of the correct invoice in accordance with 8.3 in the proper form; or (c) if the Philips Lighting ordering entity is located in another part of the world or Argentina, within sixty five (65) days from the end of the month of the receipt of the correct invoice in accordance with 8.3 in the proper form.

8.6. If Supplier fails to fulfill any of its obligations under the Agreement, Philips Lighting may suspend payment to Supplier upon notice to Supplier.

8.7. Supplier hereby unconditionally accepts that Philips Lighting and any of its Affiliates shall at all times have the right to set-off any amounts that any Philips Lighting Affiliate owes to Supplier or its Affiliates

under this Agreement with any amounts that Supplier or its Affiliates owes to any Affiliate of Philips Lighting under the Agreement or any other agreement.

8.8. Supplier acknowledges and agrees that any amount to be paid by Philips Lighting to Supplier may be paid on Philips Lighting's behalf by another Affiliate of Philips Lighting and/or a third party designated by Philips Lighting. Supplier shall treat such payment as if it were made by Philips Lighting itself and Philips Lighting's obligation to pay to Supplier shall automatically be satisfied and discharged in the amount paid by such entity or third party.

## **9. Warranty**

9.1. Supplier represents and warrants to Philips Lighting that all Goods, Services and/or Work Product(s), insofar as applicable:

- (a) are suitable for the intended purpose and shall be new, merchantable, of good quality and free from all defects in design, materials, construction and workmanship;
- (b) strictly comply with the specifications, approved samples and all other requirements under the Agreement;
- (c) are delivered with all required licenses which shall remain valid and in place, and with the scope to properly cover the intended use. Furthermore, all such licenses shall include the right to transfer and the right to grant sublicenses;
- (d) shall be free from any and all liens and encumbrances;
- (e) have been designed, manufactured and delivered in compliance with all applicable laws (including labor laws), regulations, EC Directive 2001/95 on General Product Safety and the then current Supplier Sustainability Declaration which can be found at the Supplier Website.
- (f) are provided with and accompanied by all information and instructions necessary for proper and safe use; including all its packaging and components supplied to Philips Lighting comply with the Regulated Substances List (RSL), which can be found at the Supplier Website or will be sent to Supplier upon its first written request. Supplier shall furnish to Philips Lighting any information required to enable Philips Lighting to comply with such laws, rules, and regulations in its use of the Goods and Services. Supplier agrees that, upon request of Philips Lighting, it shall register and use BOMcheck ([www.bomcheck.net](http://www.bomcheck.net)) to make substance compliance declarations including ROHS, REACH and other applicable regulatory requirements by making declarations in BOMcheck to fully comply with the Philips Lighting RSL, unless otherwise agreed with Philips Lighting. Supplier will also adhere to future RSL changes following notification from BOMcheck or other non-registered correspondence and is and will be fully compliant with the updated Philips Lighting RSL within 3 months of receiving the notification, unless otherwise agreed with Philips Lighting. Philips Lighting may reject deliveries that do not comply with these requirements; and
- (g) will be accompanied by written and detailed specifications of the composition and characteristics, to enable Philips Lighting to transport, store, process, use and dispose of such Goods and/or Work Product safely and in compliance with law.

9.2. These warranties are not exhaustive and shall not be deemed to exclude any warranties set by law, Supplier's standard warranties or other rights or warranties which Philips Lighting may be entitled to. These warranties shall survive any delivery, inspection, acceptance, payment or resale of the Goods, and shall extend to Philips Lighting and its customers.

9.3. Without prejudice to any other rights accruing under the Agreement or law, the warranties set forth in Article 9.1 will subsist for a period of thirty-six (36) months from the date of delivery as per Clause 4.2, or such other period as agreed in the Agreement (the "Warranty Term"). Goods repaired or replaced within the Warranty Term are warranted for the remainder of the original Warranty Term of said Goods, or twelve (12) months following the delivery date of such repaired or replaced Goods, whichever is longer.

## **10. Open Source Software Warranty**

Unless the inclusion of Open Source Software is specifically authorized in writing by duly authorized officers of Philips Lighting and unless otherwise stated in the Agreement, Supplier represents and warrants that the Goods do not include any portion of any Open Source Software.

## **11. Non-conformity**

11.1. If any Goods, Services or Work Products are defective, latent or otherwise do not conform to the requirements of the Agreement, Philips Lighting shall notify Supplier and may, without prejudice to any other right or remedy available to it under the Agreement or at law, at its sole discretion:

- (a) require performance by Supplier;
- (b) require delivery of substitute Goods or Work Products;
- (c) require Supplier to remedy the lack of conformity by repair; or
- (d) declare the contract rescinded.

11.2. Supplier shall bear all cost of repair, replacement and transportation of the nonconforming Goods, and shall reimburse Philips Lighting in respect of all costs and expenses (including, without limitation, inspection, handling and storage costs) reasonably incurred by Philips Lighting in connection therewith.

11.3. Risk in relation to the nonconforming Goods shall pass to Supplier upon the date of notification thereof.

## **12. Ownership and Intellectual Property**

12.1. All machinery, tools, drawings, specifications, raw materials and any other property or materials furnished to Supplier by or for Philips Lighting, or paid for by Philips Lighting, for use in the performance of the Agreement, shall be and remain the sole exclusive property of Philips Lighting and shall not be furnished to any third party without Philips Lighting's prior written consent, and all information with respect thereto shall be confidential and proprietary information of Philips Lighting. In addition, any and all of the foregoing shall be used solely for the purpose of fulfilling orders from Philips Lighting, shall be marked as owned by Philips Lighting, shall be held at Supplier's risk, shall be kept in good condition and, if necessary, shall be replaced by Supplier at Supplier's expense, shall be subject to periodic inventory check by Supplier as reasonably requested from time to time by Philips Lighting, and shall be returned promptly upon Philips Lighting's first request. Except as otherwise expressly agreed in writing, Supplier agrees to furnish at its own expense all machinery, tools, and raw materials necessary to perform its obligations under the Agreement.

12.2. Supplier represents and warrants to Philips Lighting that the Goods and Services do not and shall not, alone or in any combination, infringe or violate any third party (including Supplier's employees and subcontractors) IPRs.

12.3. The purchase of the Goods and/or Services shall confer on Philips Lighting and its Affiliates an irrevocable, world-wide, royalty-free and fully paid up, non-exclusive and perpetual license under all IPRs owned or controlled, directly or indirectly, by Supplier to use, make, have made, build-in, have built-in, market, sell, lease, license, distribute and/or otherwise dispose of the Goods and/or Services, including but not limited to machinery, tools, drawings, designs, software, demos, moulds, specifications or pieces.

12.4. Philips Lighting shall retain all rights in any samples, data, works, materials and intellectual and other property provided by Philips Lighting to Supplier. All rights in and titles to the Work Product shall become Philips Lighting's property. Supplier shall execute and deliver any documents and do such things as may be necessary or desirable in order to carry into effect the provisions of this Clause 12.4.

12.5. Supplier shall not have any right, title or interest in or to any of Philips Lighting's samples, data, works, materials, trademarks and intellectual and other property nor shall the supply of Goods and/or Services alone or in any combination, or the supply of packaging containing Philips Lighting's trademarks or trade names give Supplier any right or title to these or similar trademarks or trade names. Supplier shall not use any trademark, trade name or other indication in relation to the Goods or Services alone or in any combination without Philips Lighting's prior written approval and any use of any trademark, trade name or other indication as authorized by Philips Lighting shall be strictly in accordance with the instructions of and for the purposes specified by Philips Lighting.

12.6. Supplier shall not, without Philips Lighting's prior written consent, publicly make any reference to Philips Lighting, whether in press releases, advertisements, sales literature or otherwise.

### **13. Intellectual Property Indemnification**

13.1. Supplier shall indemnify and hold harmless Philips Lighting, its Affiliates, agents and employees and any person selling or using any of Philips Lighting's products in respect of any and all claims, damages, costs and expenses (including but not limited to loss of profit and reasonable attorneys' fees) in connection with any third party claim that any of the Goods or Services alone or in any combination or their use infringes any third party IPRs, or, if so directed by Philips Lighting, shall defend any such claim at Supplier's own expense.

13.2. Philips Lighting shall give Supplier prompt written notice of any such claim, provided, however, any delay in notice shall not relieve Supplier of its obligations hereunder except to the extent it is prejudiced by such delay. Supplier shall provide all assistance in connection with any such claim as Philips Lighting may reasonably require.

13.3. If any Goods or Services alone or in any combination, supplied under the Agreement are held to constitute an infringement or if their use is enjoined, Supplier shall, as directed by Philips Lighting, but at its own expense: either

- (a) procure for Philips Lighting or customers the right to continue using the Goods or Services alone or in any combination; or
- (b) replace or modify the Goods or Services alone or in any combination with a functional, non-infringing equivalent.

13.4. If Supplier is unable either to procure for Philips Lighting the right to continue to use the Goods or Services alone or in any combination or to replace or modify the Goods or Services alone or in any

combination in accordance with the above, Philips Lighting may terminate the Agreement and upon such termination, Supplier shall reimburse to Philips Lighting the price paid, without prejudice to Supplier's obligation to indemnify Philips Lighting as set forth herein.

#### **14. Indemnification**

Supplier shall indemnify and hold harmless Philips Lighting, its Affiliates, agents and employees and anyone selling or using any of Philips Lighting's products, from and against all suits, actions, legal or administrative proceedings, claims, demands, damages, judgments, liabilities, interest, attorneys' fees, costs and expenses of whatsoever kind or nature (including but not limited to special, indirect, incidental, consequential damages), whether arising before or after completion of the delivery of the Goods or performance of the Services covered by the Agreement, in any manner caused or claimed to be caused by the acts, omissions, faults, breach of express or implied warranty, breach of any of the provisions of this Agreement, or negligence of Supplier, or of anyone acting under its direction or control or on its behalf, in connection with Goods, Services or any other information furnished by Supplier to Philips Lighting under the Agreement.

#### **15. Compliance with Laws**

Supplier shall at all times comply with all laws, rules, regulations, and ordinances applicable to the Agreement, including, but not limited to, all fair labor, equal opportunity, and environmental compliance laws, rules, regulations, and ordinances. Supplier shall furnish to Philips Lighting any information required to enable Philips Lighting to comply with any applicable laws, rules, and regulations in its use of the Goods and Services. If Supplier is a person or legal entity doing business in the United States, and the Goods and/or Services are sold to Philips Lighting under federal contract or subcontract, all applicable procurement regulations required by federal statute or regulation to be inserted in contracts or subcontracts are hereby incorporated by reference. Additionally, if Supplier is a person or legal entity doing business in the United States, the Equal Employment Opportunity Clauses set forth in 41 Code of Federal Regulations, Chapters 60-1.4, 60-250.5, and 60-741.5, are hereby incorporated by reference.

#### **16. Personal Data**

16.1. Where Supplier in the performance of the Agreement Processes Personal Data, then Supplier agrees and warrants that Supplier shall:

- (a) comply with all privacy and data protection law and regulations applicable to its Services.
- (b) Process Personal Data only (i) on behalf of and for the benefit of Philips Lighting, (ii) in accordance with Philips Lighting's instructions, and (iii) for the purposes authorized by this Agreement or otherwise by Philips Lighting, and (iv) insofar necessary for the Services rendered to Philips Lighting and as permitted or required by law;
- (c) maintain the security, confidentiality, integrity and availability of the Personal Data;
- (d) implement and maintain appropriate technical, physical, organizational and administrative security measures, procedures, practices and other safeguards to protect the Personal Data against (i) anticipatable threats or hazards to its security and integrity; and (ii) loss, unauthorized access to, or acquisition or use of or unlawful Processing; and
- (e) promptly inform Philips Lighting of any actual or suspected security incident involving the Personal Data.



16.2. To the extent that Supplier allows a (sub)contractor to process the Personal Data, Supplier shall ensure that it binds such (sub)contractor to obligations which provide a similar level of protection, but in no way less restrictive, as this Clause 16.

16.3. Supplier shall, upon the termination of the Agreement, securely erase or destroy all records or documents containing the Personal Data. Supplier accepts and confirms that it is solely liable for any unauthorized or illegal processing or loss of the Personal Data, if Supplier fails to erase or destroy the Personal Data upon termination of the Agreement.

16.4 Supplier shall indemnify and hold harmless Philips Lighting, their officers, agents and personnel from any damages, fines, losses and claims arising out of a breach of Clauses 16.1, 16.2 and 16.3.

16.5. Pursuant to article 13 of Italian Law No. 196/2003, Philips Lighting hereby informs that Supplier's personal data necessary for the purchase orders and the purchases effected by Philips Lighting, are collected and processed for purposes associated to the fulfilment of the obligations set forth by the law in force, and connected and instrumental to the establishment and management of the contractual relationship with the Supplier, and in particular: for the fulfilment of the obligations coming from the Agreement with the Supplier, the management of the suppliers; handling of the orders, accounting and invoicing; fulfilment of fiscal and accounting obligations; handling of litigation; vendor rating.

16.6 Such data will be processed manually and/or by automated systems that guarantee security and confidentiality, according to logics which are strictly connected to the same purposes.

16.7 Supplier's submitting personal data (such as name, address, VAT number) is mandatory to fulfil the obligations imposed by law, and it is necessary as well since connected and instrumental to the management of the contractual relationship. Thus, the refusal to provide personal data causes the impossibility to issue or handle the Purchase Order.

16.8 With reference to the purposes above indicated, collected data may be communicated to the relevant Authorities imposed by law, the companies of our group, and banks or financial institutions, consultants, contractors and service companies, only in the event the disclosure is necessary or functional to the performance of the task assigned to them. The data provided by the Supplier may be transmitted abroad, even outside European Union, to Philips Lighting affiliated companies, for purposes associated to the management of our contractual relationship with the Supplier, in compliance with the requirements set forth by privacy law in force. Supplier's data will not be matter of dissemination. The data will be disclosed to the employees or third parties expressly appointed by the Data Controller (Philips Lighting S.p.A.) as Data processor and individuals in charge for the data processing.

16.9 Supplier may request the list of data processor and exercise all rights granted by article 7 of Italian Law No. 196/2003, such as right to access, request updating, rectification or integration, erasure of the personal data, and the right to object on legitimate grounds to the data processing by writing to: Philips Lighting S.p.A., Via Casati 23, 20052 Monza (MI).

16.10 By executing these General Terms of Purchase and/or accepting Philips Lighting's Purchase Order, the Supplier declares to have read and understood the above and hereby expressly accepts the transfer abroad (including U.S.A.) of its Personal Data.

## **17. Export Controls Compliance**

17.1 Supplier agrees and warrants that it will comply with all applicable international and national export control laws and regulations and it will not export or re-export, directly or indirectly, any information, goods, software and/or technology to any country for which the European Union or the United States of America or any other country, at the time of export or re-export, requires an export license or other governmental approval, without first obtaining such license or approval.

17.2 Supplier agrees to inform Philips Lighting in writing whether or not the supplied information, goods, software and/or technology is US controlled and/or controlled under the export control laws of its own country, and if so, Supplier will inform Philips Lighting about the extent of the restrictions (including but not limited to export control legal jurisdiction, export control classification numbers, export control licenses and/or CCATS as applicable).

17.3 Supplier shall obtain all international and national export licenses or similar permits required under all applicable export control laws and regulations and shall provide Philips Lighting with all information required to enable Philips Lighting and its customers to comply with such laws and regulations.

17.4 Supplier agrees to indemnify and hold Philips Lighting harmless from any claims, liabilities, penalties, forfeitures, and associated costs and expenses (including attorney's fees), which Philips Lighting may incur due to Supplier's non-compliance with applicable laws, rules and regulations. Supplier agrees to notify Philips Lighting promptly of Supplier's receipt of any such notice of a violation of any export control related law, rule or regulation, which may affect Philips Lighting.

## **18. Customs Compliance**

18.1 On an annual basis, or upon earlier request of Philips Lighting, Supplier shall provide Philips Lighting with a supplier declaration of origin in relation to the Goods sufficient to satisfy the requirements of (i) the customs authorities of the country of receipt, and (ii) any applicable export licensing regulations, including those of the United States. In particular, the declaration should explicitly mention whether the Goods, or part thereof, have been produced in the United States or originate in the United States. Dual-use Goods, or otherwise classified Goods supplied by Supplier should be clearly identified by their classification code.

18.2 For all Goods that qualify for application of Regional or Free Trade Agreements, General Systems of Preference or other preferential arrangements, it is the responsibility of the Supplier to deliver products with the appropriate documentary evidence (e.g. Supplier's declaration, preferential origin certificate/invoice declaration) to confirm the preferential origin status.

18.3 Supplier shall mark every Good (or the Good's container if there is no room on the Good itself) with the country of origin. Supplier shall, in marking the Goods, comply with the requirements of the customs authorities of the country of receipt. If any Goods are imported, Supplier shall when possible allow Philips Lighting to be the importer of record. If Philips Lighting is not the importer of record and Supplier obtains duty drawback rights to the Goods, Supplier shall, upon Philips Lighting request, provide Philips Lighting with documents required by the customs authorities of the country of receipt to prove importation and to transfer duty drawback rights to Philips Lighting.

## **19. Limitation of Liability**

19.1. Neither Party excludes or limits its liability for death or personal injury arising from its own negligence, fraud, or for any liability that cannot by law be excluded or limited.

19.2 Subject to Clause 19.1, IN NO EVENT SHALL PHILIPS LIGHTING BE LIABLE UNDER ANY THEORY OF LIABILITY, FOR INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, WHICH INCLUDES WITHOUT LIMITATION DAMAGES FOR LOST PROFITS OR REVENUES, LOST BUSINESS OPPORTUNITIES, LOSS OF IMAGE OR LOST DATA, EVEN IF PHILIPS LIGHTING HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES and in no event shall Philips Lighting be liable to Supplier, its successors or assigns for damages in excess of the amount due to Supplier for complete performance under the Agreement, less any amounts already paid to Supplier by Philips Lighting.

## **20. Force Majeure**

In the event that Supplier is prevented from performing any of its obligations under the Agreement for reason of force majeure (being an event unforeseeable and beyond the control of Supplier) and Supplier has provided sufficient proof for the existence of the force majeure, the performance of the obligation concerned shall be suspended for the duration of the force majeure. Philips Lighting shall be entitled to terminate the Agreement with immediate effect by written notice to Supplier, immediately if the context of the non-performance justifies immediate termination, and in any event if the circumstance constituting force majeure endures for more than thirty (30) days and, upon such notice, Supplier shall not be entitled to any form of compensation in relation to the termination. Force majeure on the part of Supplier shall in any event not include shortage of personnel or production materials or resources, strikes, not officially declared epidemic or pandemic, breach of contract by third parties contracted by Supplier, financial problems of Supplier, nor the inability of Supplier to secure the necessary licenses in respect of software to be supplied or the necessary legal or administrative permits or authorizations in relation to the Goods or Services to be supplied.

## **21. Suspension and Rescission**

21.1. Without prejudice to any other right or remedy available to Philips Lighting under the Agreement or at law, Philips Lighting shall be entitled at its discretion to suspend the performance of its obligations under the Agreement in whole or in part or to declare the Agreement rescinded in whole or in part by means of written notice to Supplier in the event that:

- (a) Supplier files a voluntary petition in bankruptcy or any voluntary proceeding relating to insolvency, receivership, liquidation, assignment for the benefit of creditors or similar proceeding;
- (b) Supplier becomes the subject of a petition in bankruptcy or any proceeding relating to insolvency, receivership, liquidation, assignment for the benefit of creditors or similar proceeding;
- (c) Supplier ceases or threatens to cease to carry on business in the ordinary course;
- (d) Supplier breaches any of its obligations under the Agreement or Philips Lighting's, in its reasonable discretion, determines that Supplier cannot or shall not deliver the Goods or perform the Services as required; or
- (e) Supplier fails to provide adequate assurance of performance following request by Philips Lighting.

21.2. Philips Lighting shall not be liable to Supplier by virtue of exercising any of the rights under Clause 21.1.

## **22. Confidentiality**

22.1. Supplier shall treat all information provided by or on behalf of Philips Lighting or generated by Supplier for Philips Lighting under the Agreement as confidential. All such information shall be used by Supplier only for the purposes of the Agreement. Supplier shall protect Philips Lighting's information using not less than the same degree of care with which it treats its own confidential information, but at all times shall use at least reasonable care. All such information shall remain the property of Philips Lighting and Supplier shall, upon Philips Lighting's demand, promptly return to Philips Lighting all such information and shall not retain any copy thereof.

22.2. The existence and the contents of the Agreement shall be treated as confidential by Supplier.

## **23. Miscellaneous**

23.1. Supplier will maintain comprehensive or commercial general liability insurance (including products liability, property damage and personal injury liability, and any other liability as may be requested by Philips Lighting) with, unless otherwise agreed by Philips Lighting, a minimum limit of five million Euro for claims of bodily injury, including death, and any other damages that may arise from use of the Goods or Services or acts or omissions of Supplier under the Agreement. Such insurance policies will be written with appropriately licensed and financially responsible insurers. Supplier shall inform Philips Lighting of any cancellation or reduction in coverage with a minimum of 30 days prior written notice. Certificates of insurance evidencing the required coverage and limits and insurance policies shall be furnished to Philips Lighting upon Philips Lighting's request.

23.2. Supplier shall provide Goods and render Services hereunder as an independent contractor and not as an agent of Philips Lighting and nothing contained in the Agreement is intended to create a partnership, joint venture or employment relationship between the parties irrespective of the extent of economic dependency of Supplier on Philips Lighting.

23.3. Supplier shall not subcontract, transfer, pledge or assign any of its rights or obligations under the Agreement without the prior written consent of Philips Lighting. Any such pre-approved subcontracting, transfer, pledge or assignment shall be null and void and have no effect vis-à-vis such third party.

23.4. The rights and remedies reserved to Philips Lighting are cumulative and are in addition to any other or future rights and remedies available under the Agreement, at law or in equity.

23.5. Supplier shall provide Philips Lighting written notice of all product discontinuances twelve (12) months prior to the last order date, including as a minimum Philips Lighting part numbers, substitutions,

and last order and shipment dates.

23.6. Neither the failure nor the delay of Philips Lighting to enforce any provision of the Agreement shall constitute a waiver of such provision or of the right of Philips Lighting to enforce each and every provision of the Agreement. No course or prior dealings between the parties and no usage of the trade shall be relevant to determine the meaning of the Agreement. No waiver, consent, modification or amendment of the terms of the Agreement shall be binding unless made in a writing specifically referring to the Agreement signed by Philips Lighting and Supplier.

23.7. In the event that any provision(s) of these General Conditions of Purchase and of the Agreement shall be held invalid, unlawful or unenforceable by a court of competent jurisdiction or by any future legislative or administrative action, such holding or action shall not negate the validity or enforceability of any other provisions of the Agreement. Any such provision held invalid, unlawful or unenforceable, shall be substituted by a provision of similar import reflecting the original intent of the clause to the extent permissible under applicable law.

23.8. All terms and conditions of the Agreement which are destined, whether express or implied, to survive the termination or the expiration of the Agreement, including but not limited to Warranty, Intellectual Property, Confidentiality and Personal Data, shall survive.

23.9. The Agreement shall be governed by and construed in accordance with the laws of the country or state in which the Philips Lighting ordering entity is located, as applicable.

23.10. Supplier and Philips Lighting each consents to the exclusive jurisdiction of the competent courts in (i) the country or state in which the Philips Lighting ordering entity is located; or (ii), at the option of Philips Lighting, the jurisdiction of the entity of Supplier to which the order was placed, or (iii), at the option of Philips Lighting, for arbitration in which case Clause 23.11 applies. Supplier hereby waives all defenses of lack of personal jurisdiction and forum non-convenience.

23.11. If so chosen by Philips Lighting in accordance with Clause 23.10, any dispute, controversy or claim arising out of or in connection with this Agreement, or their breach, termination or invalidity shall be finally settled solely under the Milan Chamber of Arbitration Rules, which Supplier and Philips Lighting declare to be known to them. Supplier and Philips Lighting agree that: (i) the appointing authority shall be the Chamber of Arbitration of Milan; (ii) there shall be three (3) arbitrators; (iii) place of arbitration shall be Milan; (iv) the language to be used in the arbitration proceedings shall be Italian; and (v) the material laws to be applied by the arbitrators shall be the laws as determined under Clause 23.9.

23.12. The United Nations Convention on International Sale of Goods shall not apply to the Agreement.

For acceptance of these General Conditions of Purchase  
The Supplier

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The undersigned Supplier hereby acknowledges that he is fully aware of all provisions of the General Conditions of Purchase as reported overleaf and specifically approves the following clauses pursuant to articles 1341 and 1342 of the Italian Civil Code:

Section 3 (Time of the Essence); Section 4 (Delivery of Goods); Section 6 (Inspection, Testing, Rejection of Goods); Section 8 (prices; payment); Section 9 (Warranty); Section 11 (non-conformity); Section 12 (ownership and intellectual property); Section 13 (intellectual property indemnification); Section 14 (indemnification); Section 16.4 Hold harmless; Section 17.4. Hold harmless; Section 19 (limitation of liability); Section 20 (force majeure); Section 21 (suspension and rescission); Section 23.3 (subcontract and assignment), 23.9 and 23.10 (applicable law and jurisdiction), 23.11 (arbitration).

The Supplier

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