



GENERAL CONDITIONS OF SERVICES (2025)

Preamble

1. These General Conditions of Services (“GCS”) shall apply to any delivery of Services in accordance with a separate service agreement (a “Service Agreement”) between an entity within the Alfa Laval Group (the “Employer”) and the provider of the Services (the “Supplier”) and shall further apply to any orders of Services including Parts (an “Order”) pursuant to a Service Agreement or on a standalone basis, unless it has been otherwise agreed by the parties in writing. Any Service Agreement or Order (including these GCS) relating to the Services is hereinafter referred to as the “Agreement”.
2. In the case of any conflicts or inconsistencies, the documents comprising the Agreement shall be construed in the following order of precedence, with the most prevalent document appearing first: the Order, the Service Agreement (if applicable) and these GCS. The Agreement contains the entire agreement of the parties and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter of the Agreement. Any terms and conditions proposed by the Supplier shall only apply in so far as they are expressly accepted in writing by the Employer.

Definitions

3. In addition to other defined terms herein, the following capitalized terms and expressions shall have the following meaning when used in these GCS:

Affiliate(s) means, with respect to a party, any entity which is controlling, controlled by or under common control with such party, where control shall mean the control of at least 50 percent of the voting shares or other equity interest in the relevant entity.

Confidential Information means any information or material, whether of a commercial or technical nature, disclosed to the Supplier by or for the Employer or any of its Affiliates in relation to the Agreement, whether or not explicitly identified as confidential upon disclosure, unless such information is already in the public domain or was received by the Supplier from an unrestricted source, as evidenced by written records. Confidential Information shall also include any information about the existence of the Agreement.

Force Majeure means all events which are beyond the control of the parties and which are unforeseeable and unavoidable and/or insurmountable and which were not known at the acceptance of an Agreement and which prevent total or partial performance by either party. Strikes, lock-outs or other industrial action or disputes solely related to the Supplier and/ or its subcontractor(s) or agent(s) shall not be deemed as events of Force Majeure.

Parts means any and all components, parts, spare parts products, drawings, documents, packaging and consumables, delivered by the Supplier under the Agreement.

Scope of Agreement

4. The scope of the Agreement comprises the Supplier's rendering of the Services as further specified in or implied by the Agreement.

Changes to the scope

5. The Employer reserves the right with reasonable prior notice to alter the time schedule for the delivery of the Services. The Supplier shall not be entitled to compensation for such alterations.
6. The Employer may require a change of or cancellation of the Services or parts thereof. In this event, the Employer shall reimburse the Supplier for reasonable proven actual costs and expenses incurred by the Supplier which are directly related to the change or cancellation of the Services. The Supplier shall provide sufficient documentary evidence to satisfy the Employer that the actual costs and expenses for which the Supplier claims reimbursement have been incurred.
7. No change to the Services or the Parts may be made by the Supplier without the written approval of the Employer before its implementation.

Price and Payment

8. Unless otherwise stated in the Agreement, the price for the Services and Parts: (i) is a fixed price and no unilateral price changes are permitted (ii) is exclusive of VAT but inclusive of all taxes and duties applicable, payable on or prior to delivery; and (iii) is inclusive of all expenses and charges of the Supplier.
9. Unless otherwise agreed in the Agreement, invoices shall be specified as required by the Employer.
10. Invoices shall be paid within ninety (90) days from expiry of the delivery month unless otherwise agreed in writing between the parties.
11. Remittance of payment shall not imply any acceptance of the performance, delivery or the invoiced amount.

Access Conditions, Safety, Qualifications

12. The Employer will provide the Supplier access to the site for the performance at the agreed times. Employer will make available to the Supplier for the Supplier's performance of the Services such equipment, tools, utilities, facilities, resources and supplies expressly specified in the Agreement. All other equipment, tools, utilities, facilities, resources and supplier necessary for the performance of the Services shall be the Supplier's responsibility and shall be regarded as included within the scope of the Agreement.
13. The Supplier shall comply with and shall ensure that its personnel and sub-suppliers comply with the Employer's safety regulations and safety instructions when performing the Services at Employer's site. Before the Services are started, the Supplier shall ensure that the Supplier's personnel and sub-suppliers are informed of Employer's safety regulations and safety routes in force at the place where the Services are carried out and of any special hazards that the performance of the Services may entail.
14. The Supplier shall ensure that its personnel possess the necessary qualifications and certifications for the performance of the Services. Upon the Employer's request the Supplier shall remove from the performance of the Services such personnel which in Employer's opinion does not follow the safety regulations and instructions or otherwise acts improperly.

Delivery

15. The Supplier's observance of the agreed delivery time is an essential duty under the Agreement. Delivery of the Services shall be made in accordance with the time schedule agreed in the Agreement.
16. Unless otherwise agreed in the Agreement, the Supplier shall deliver the Parts FCA (as defined in INCOTERMS 2010 (as amended)) Employer's manufacturing site.

Delay in Performance and Delivery

17. Should the Supplier have reason to believe that a delay in the performance of the Services and/or delivery of Parts may occur, the Supplier shall immediately inform the Employer and subsequently confirm this in writing, stating the reasons for the delay and its probable duration as well as intended remedial measures.
18. If the Supplier fails to carry out the Services, or deliver Parts, at the agreed time and such delay is not due to circumstances on the part of the Employer or Force Majeure, the following shall apply: (a) In case of delays in the Services the Employer shall fix a final period within which the Supplier shall have carried out the Services and if the Supplier has not carried out the Services within this time the Employer may carry out the Services himself or employ others to do so, in which case the Supplier shall reimburse the Employer for any additional costs incurred by the Employer for such Services and repay to the Customer an amount corresponding to the Services in question not performed by the Supplier; and (b) In case of delays in delivery of Parts Section 19 shall apply.
19. The Employer shall in the event of delay in delivery of Parts be entitled to liquidated damages amounting to one (1) per cent of the price of the Parts for each commenced week of delay up to a maximum of ten (10) per cent of the price. The parties agree that the sum fixed is a fair and reasonable estimate of the Employer's actual damages and shall not be viewed as a penalty. The Supplier shall pay such liquidated damages to the Employer within fourteen (14) days from Supplier's notice thereof.

Packing and Marking of Parts

20. The Supplier shall ensure marking and packaging of any Parts are in accordance with all relevant laws, regulations and industrial standards, and in accordance with any instructions of the Employer.

Passing of Risk and Title

21. The risk of the Parts shall pass to the Employer in accordance with the agreed INCOTERMS referred to in Section 16. Title to the Parts shall thereupon be transferred to the Employer.

Warranties with respect to Services

22. The Supplier warrants that the Services are performed in accordance with (a) the skill and care required by customarily accepted good professional and technical practices and which the Employer has reason to expect of Supplier; (b) the results of the Services are free from defect and in accordance with the requirements of the Agreement; and (c) laws, rules and regulations.
23. The Supplier shall re-perform any Services that are not in conformity with the warranty obligation under this Agreement, provided that the Employer notifies the Supplier of any alleged deficiency within a reasonable time after handing-over. This remedy shall be without prejudice to any other remedies available under the Agreement or under the governing law.
24. The Supplier's liability for defects in performed Services is limited to defects which appear within a period of twenty-four (24) months from the performance of the Services.
25. If the Supplier fails to fulfil its obligations under Section 23 within a reasonable time taking into account the nature of the deficiency, the Employer may, after having notified the Supplier thereof in writing, undertake itself or employ a third party to undertake necessary remedial work at the risk and reasonable expense of the Supplier.
26. If defects in the Services risk causing damage, the Employer shall take any immediate measures, which are necessary to prevent or mitigate such damage. The Supplier shall reimburse the Employer for the necessary costs incurred by the Employer when undertaking such measures.

Warranties with respect to Parts

27. The Supplier warrants that the Parts (and each part thereof):
 - (a) are free from defects in design, material and workmanship; and
 - (b) are fit and safe for the function and purpose for which the Parts are intended.
28. Without prejudice to the generality of clause 28, the Supplier warrants that the Parts are free from asbestos and any contamination by radioactive material, including, without limitation, Cobalt 60.
29. The Supplier shall, without prejudice to any other remedy available to the Employer under the Agreement or under governing law, immediately re-perform the Services and/or repair or replace (at the Employer's option) any Part that within a period of twenty-four (24) months from the delivery thereof ("the Warranty Period") is found to suffer from a defect.
30. Repair shall be carried out at the place where the Parts are located unless the Supplier deems it appropriate, in agreement with the Employer, that the defective Parts (or part thereof) are returned to him for repair or replacement. Any Part shall be returned for repair or replacement at the Supplier's risk and expense, including dismantling, installation, and necessary transport, as to which matters the Employer shall follow the Supplier's instructions.
31. The rights and remedies set out in these GCS are without prejudice to the Employer's rights in relation to any non-conforming Parts which appear after the Warranty Period and to the other rights and remedies which are available to the Employer at law or in equity.

Insurance

32. Unless otherwise agreed between the parties, the Supplier shall enter and maintain product and general liability insurance with a per claim limit of not less than one million Euro (or its equivalent in any other currency) and shall at the Employer's request provide a copy of the insurance certificate. The obligations above shall not relieve the Supplier of any liability towards the Employer under the Agreement. Supplier shall at the Employer's request provide a copy of the insurance certificate. Supplier shall also give Employer at least thirty (30) days prior written notice of cancellation or material change of the insurance policies required herein.

Liability

33. The Supplier agrees to defend, hold harmless and indemnify the Employer and any of its Affiliates from and against any claim, suit, liability, cost, loss, expense or damage (whether direct or indirect) incurred by either of them, and which relates to (i) death or personal injury; or (ii) damage to property caused by any act of omission attributable to the Supplier, any of its Affiliates or another party for which the Supplier is responsible or a defect in a Part.
34. In addition to all other remedies agreed between the parties, the Supplier agrees to hold the Employer and its Affiliates, harmless from and against any and all costs, fees, expenses, penalties, damages (whether direct or indirect), and all other liabilities and obligations whatsoever arising out of any claim, loss or damage which relates to noncompliance by the Supplier with any of its warranties or obligations under the Agreement.

Technical documentation, Tools

35. Rights and title to any documents and materials, and any Intellectual Property Rights contained therein or associated therewith, concerning the supply of the Orders, or part thereof, submitted to the Supplier by or on behalf of the Employer shall remain exclusively with the Employer, shall be subject to the confidentiality undertakings herein and shall be returned to the Employer upon request. Supplier shall only have the right to use such documents and materials, and any associated Intellectual Property Rights, for the purpose of performing the Agreement.

36. If the Employer or any of its Affiliates provides the Supplier with or pays the Supplier for any tools, patterns, measuring devices, packaging or similar equipment (“**Tools**”) which are to be used by the Supplier in its performance of the Agreement, such Tools shall vest in or remain the property of the Employer or its Affiliate. The Supplier shall only have the right to use such Tools, and any associated Intellectual Property Rights, for performing the Agreement, i.e. the Supplier may not use the Tools for providing Services on its own account or on the account of another party. The Employer shall be entitled to collect and remove the Tools if the Employer so deems necessary or, at the request of the Employer, the Supplier shall have the Tools immediately returned DDP Employer’s manufacturing site or other place of destination if named in the Agreement. Under no circumstances shall the Supplier have any right to retain such Tools.
37. The Supplier shall store, maintain and insure the Tools in accordance with the instructions provided by the Employer. The Supplier shall mark the Tools in such a way that the Employer’s right of ownership is evident. Any repairs of or modifications to the Tools by the Supplier must be preceded by a written agreement between the parties. Should any Tools need to be repaired, modified or replaced, the Supplier shall notify the Employer and the Employer shall decide if and how this shall be done at the expense of the Supplier.
38. Unless the Employer gives its written approval, the Supplier may not sell the Tools developed for and/or owned by the Employer to any other company other than the Employer or any Affiliate of the Employer.

Audits

39. The Employer or its nominee may conduct audits of Supplier and its sub-suppliers to secure the Supplier’s and its sub-suppliers’ compliance with the Agreement. Such audits may be conducted at any time Employer may find it necessary. Audits are to be announced in advance, observing a minimum period of ten (10) working days. The Supplier shall be obliged to provide the Employer or its nominee with all information necessary to determine the Supplier’s compliance with the Agreement.

Compliance

40. The Supplier shall comply with the Business Principles of Alfa Laval (as amended from time to time) available on the Alfa Laval Group corporate website www.alfalaval.com
41. The Supplier shall in the performance of the Services and the supply of Part comply with all applicable laws, rules and regulations, and any industry and Employer standards, codes and requirements, relating but not limited to:
- (i) anti-bribery and anti-corruption, including, without limitation, (A) the UK Bribery Act 2010; and the U.S. Foreign Corrupt Practices Act of 1977, 15 U.S.C. §§ 78dd-1, et seq. (“FCPA”) irrespective of the place of performance, and (B) laws and regulations implementing the Organization for Economic Cooperation and Development’s Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the U.N. Convention Against Corruption, in the Supplier’s country or in any country where performance of this Contract will occur;
 - (ii) substance restrictions applicable to the supply of the Parts (in packaging material or production thereof), such as the Regulation (EC) 1907/2006 on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and the Alfa Laval Black & Grey list (which includes Conflict Minerals) available on www.alfalaval.com; and
 - (iii) ISO 14001:2004 and ISO9001:2008 environmental and quality system standard, respectively, or with any equivalent system approved by the Employer.

42. The Supplier is responsible for obtaining and maintaining any export, re-export and import licenses required for the Parts. Furthermore, the Supplier shall inform the Employer and issue all documentation which may be required by law, regulation or otherwise reasonably requested by the Employer regarding the export, import or re-export of the Parts, such as certificate of product origin, origin of preference and export classification.

43. The Supplier shall promptly disclose to the Employer any violation, or suspected violation, of any applicable law, rules, and regulations, and/or any standards and codes of the Employer and/or applicable to the relevant industry (including but not limited to those stipulated in the Agreement), and any such violation, or suspected violation, shall be deemed a material breach which shall be cause for immediate termination of the Agreement, without prejudice to any further rights and remedies available thereunder or at law.

Sub-suppliers

44. Supplier shall not engage any sub-suppliers without the Employer’s written consent. The Supplier shall ensure that any sub-supplier thus approved observe and is bound by the provisions of the Agreement, including the Alfa Laval Business Principles, in so far as they apply to the sub-supplier. No sub-contract shall bind or purport to bind Employer.
45. Engagement of sub-supplier shall not limit the Supplier’s liability under the Agreement and the Supplier shall remain fully liable for each sub-contractor’s obligations as for its own.

Force Majeure

46. If an event of Force Majeure occurs, a party’s contractual obligations affected by such an event shall be suspended during the period of delay caused by the Force Majeure event.
47. The party claiming Force Majeure shall promptly inform the other party in writing and shall within ten (10) days thereafter furnish evidence of the occurrence and expected duration of such Force Majeure.
48. In the event of Force Majeure, the parties shall immediately consult with each other in order to find an equitable solution and shall use all reasonable endeavors to minimize the consequences of such Force Majeure. If the consequences of the Force Majeure event continue for a period of thirty (30) days without a solution acceptable to both parties, the party that is not subject to Force Majeure shall be entitled to terminate the Order or the Agreement with immediate effect.

Confidentiality

49. The Supplier shall keep strictly confidential, and not without the Employer’s prior written consent, disclose to any third party any Confidential Information, and shall allow access to Confidential Information only to such employees who need such access to perform the Agreement. The Supplier shall use the Confidential Information only for the purpose of performing the Agreement. The Supplier shall use the same degree of care with respect to the Confidential Information as it uses for its own most confidential information.

Termination

50. The Agreement and/or any Order may be terminated by the Employer by giving written notice to the Supplier with immediate effect, without prejudice to any other rights and remedies available under the Agreement or otherwise in law, in the event that:
- (i) the Supplier passes a resolution, or any court shall make an order of the Supplier to be wound up or if a trustee in bankruptcy, liquidator, receiver, or manager on behalf of a creditor is appointed, or if circumstances shall arise which would entitle the court or a creditor to issue a winding-up order;
 - (ii) the Supplier has committed a material breach of the Agreement and not rectified such breach (where rectification is possible) within thirty (30) days after receiving written notice of termination specifying the breach; for the purposes of this clause 50(ii) any breach of a warranty given by the Supplier pursuant

- to the terms of the Agreement shall be deemed to be a material breach; or
- (iii) there is a material direct or indirect change of ownership in or control of the Supplier (as to which the Employer will determine if such change in ownership or control is material).

51. Any confidentiality obligation shall survive termination of the GCS and/or any Agreement.

Miscellaneous

52. No amendment or modification to the Agreement shall be valid or binding upon the parties, unless made in writing and signed by the representatives of both parties.
53. Neither party may assign the Agreement, or any rights or obligations thereunder without the other Party's prior written consent.
54. Employer's not exercising a right arising out of or in connection with the Agreement shall not mean a waiver of that right by Employer.
55. The Employer and the Supplier are and remain independent contractors and Agreement does not create an agency, representation, dealership, consortium, joint venture, etc. between the parties.
56. The parties to this Agreement do not intend that any term of this Agreement should be enforced by any person who is not a party to this Agreement, save for any one or more of the Employer's Affiliates who may enforce any term of the Agreement as if they were named as the Employer therein.
57. In case an Agreement is concluded in both English and another language, the English version shall prevail.
58. All provisions of the Agreement, including these GCS, are severable, and if any provision or part thereof is deemed invalid or otherwise unenforceable, then such provision shall be construed to reflect the closest lawful interpretation of the parties' original intent, and the remaining provisions shall remain valid and enforceable.

Governing Law and Dispute Resolution

59. Unless otherwise explicitly agreed, the Agreement shall be governed by the laws of the place where the Employer is domiciled, excluding any conflict of law provisions contained therein. The UN Convention on Contracts for the International Sale of Goods (CISG) shall not apply.
60. All disputes in connection with the Agreement shall be finally settled under the Rules of Arbitration of the International Chamber of Commerce by three (3) arbitrators appointed in accordance with the said Rules. The place of arbitration shall be the place where the Employer is domiciled, and the English language shall be used in the proceedings.
