



## **SBS DRIVETEC INC** **TERMS AND CONDITIONS OF PURCHASE**

### **General**

The following terms and conditions are applicable between SBS Drivetec Inc. (buyer) and all vendors or third parties (sellers). They take precedent over vendor's terms and conditions and are enforceable regardless of any other agreements, expressed or implied.

### **Purchase Orders**

Vendors must fulfil orders per the terms specified on our purchase orders. This applies to pricing, due dates, shipping method and payments terms. Invoices that do not comply with these conditions may be held for resolution and cause delayed payments. All shipments and invoices must specify buyers purchase order number. Goods supplied must be in accordance with the latest drawings or specifications

### **Pricing**

Prices changes are not permitted without approval. Seller warrants that the prices to buyer are no less favorable than seller extends to any other buyer for similar products. If seller reduces the price to others, the seller must immediately advise buyer and update future deliveries.

### **Changes and cancellations**

Buyer reserves the right to change orders and future deliveries. The impact of any changes or cancellations will be mutually resolved.

### **Buyer's special instructions**

The seller must ensure compliance to buyer's instructions. These instructions may include (but not limited to) delivery, labelling, packaging and invoicing.



### **Invoicing and payments**

Each invoice must clearly show the purchase order details including (at a minimum), buyers purchase order number, the part number, quantity, price, shipment date, and bill of lading reference. Upon confirmed receipt of acceptable goods, invoices will be paid Net 60 days, unless an early payment discount is available and utilized at the discretion of buyer.

### **Delivery and transportation**

All shipments are due on the date specified. The transportation method and incoterms will be detailed on buyers purchase order. Any shipment delays or premium freight charges are the responsibility of the seller. The buyer reserves the right to charge seller for extra costs incurred due to late delivery or incorrect carriers.

### **Quality**

Seller acknowledges that buyer may not perform incoming inspections and goods are shipped according to specifications and intended use. Where applicable, the seller is expected to meet the latest inspection and quality standards established by the buyer. This may include IATF 16949 certification and conformance to buyer's supplier quality manual.

### **Warranty**

Seller warrants that good are free from defects and suitable for the intended use. All defective products will be returned at seller's expense. Seller is also responsible for cost incurred by buyer or impacts caused to buyer's operations, customers and staff.

### **Confidentiality**

The seller is responsible to keep all information between both parties confidential. Sellers is not permitted to use or share buyers name, logo or details of their business relationship. This includes (but not limited to) press releases, marketing campaigns or communicating details of the supplier/vendor relationship to third parties.

Revision 23 August 2017