



Standard Terms & Conditions of Purchase

Effective January 1, 2023

India



1. General

(1.1) This order including the terms and conditions specified herein constitute the sole and entire agreement between the Parties here to in respect of the subject matter of this transaction. The Seller shall acknowledge receipt of order within seven days of order date otherwise order shall be deemed to be accepted. Provided however that acknowledgment of Buyer of work done under the order and receipt by the Seller of any payment or consideration paid hereunder by the Buyer shall result in a binding contract and oblige the Seller to perform his obligations under the order even if the Seller has not expressly signed the Vendor Acknowledgment form.

(1.2) The seller shall not be entitled to make any change, alteration or modification to any of the terms, conditions, prices or schedules specified in the Order without the express written consent of the Buyer.

(1.3) No course of prior dealings between the Parties or past practice or usage of the trade shall be relevant to supplement or explain any of the terms of the Order.

(1.4) Payment shall be made in accordance with Buyer's payment calendar. Payment of the consideration in the amount as set out in the Order shall be complete discharge of the Buyer of all its payment obligations towards the purchase of the goods set out in the order and the buyer shall not be required to pay other or further sums of amounts to the Seller on any account whatsoever. No interest will be applicable for delayed payment if any.

(1.5) At any time prior to its shipment or even thereafter, the Buyer may require the Seller to produce the documents of title to the goods forming the subject matter of the Order.

2. Buyers Options

The Buyer reserves the right, at any time, to change or modify the specifications or delivery dates as also the quantity or quality of the products forming part of the Order, Any difference in price required by such change or modification shall be equitably adjusted and the Order shall be modified in writing accordingly. Buyer further reserves the right to terminate, without assigning any reason or incurring any liability to the Seller whatsoever, all or part of the work to be performed pursuant to this Order. In such an event the Buyer shall not be liable for any incidental or consequential damages or for loss of income or profit to the Seller.

3. Delivery

3.1 Time of delivery and performance by the Seller shall be of essence of the Order. If the Seller fails to deliver the goods



in the quantity or quality or perform his obligations within the time specified therefor in the Order, the Buyer may, without limiting its other rights and remedies provided by this Order or by law: -

(i) By writing, extend the time for supply of the products performance by the Seller of his obligations under the Order, or

(ii) Cancel this Order without any obligation to the Seller, or (iii) Reject the goods in whole or in part; or

(iv) Purchase the goods from any other third party and charge the Seller any loss incurred in this regard; or

(v) Demand and recover from the Seller difference of an amount equivalent to the selling price of the goods that the Seller failed to deliver and price paid to third party in accordance with the Order, which amount shall be recovered as liquidated damages and not penalty.

3.2 The risk of loss of and title to the goods shall not pass to the Buyer unless the Buyer actually receives and accepts the goods at the point of destination. If the Buyer has made any advance payments to the Seller prior the delivery to the Buyer of the goods, then in such an event the title to the said goods shall pass to the Buyer, even if the same is in the possession of the Seller, but the risk of loss shall remain with the Seller until the actual delivery to and acceptance by the Buyer has been made.

(3.3) In the even that the Buyer agrees to accept early delivery of the products, the Buyer shall be entitled to withhold payment in respect of such deliveries until the required delivery date.

(3.4) The quantity of goods as indicated in the Order shall not be exceeded by more than 5% without the prior written authorization from the Buyer. In the event that the Seller supplies the products in quantities excess than permissible limit, the Buyer shall have the option to: -

(a) Accept and retain the excess quantity of the products and pay the amounts in respect thereof to the Seller; or

(b) Return to and at the expense of the Seller, all excess quantities of the products.

4. Shipping advice

Shipping advice shall be given and confirmed by the Seller to the Buyer, at least 1(one) week prior to the required date of delivery of the product, containing such information as loading and unloading port, brief description of the products shipped, name of the vessel, estimated time of deliver or arrival, invoice amount etc.

5. Intellectual Property Rights Indemnification

Seller agrees to indemnify, defend and hold harmless each of



(i) the Buyer, (ii) each of Buyers Affiliates, assigns and successors in interest, as the case may be; and (iii) each of the respective directors, officer and employees of the Buyer from and against any and all losses which may be incurred or suffered by said party and which may arise out of or result from any claim of infringement of any intellectual property rights occasioned by the manufacturer of the products or any other third party.

6. Inspection

(6.1) Buyer shall have a reasonable time after receipt and beneficial use, to inspect and or reject the goods. The Buyer shall, at the risk of the Seller, store all rejected goods for a maximum period of 20 days (subject to the clearance of excise formalities) from the date of such information to the seller within which the Seller shall, at his own cost and expense, arrange for its collection of disposal. If the rejected goods are not collected by the Seller within the aforesaid time, the Buyer shall be entitled to dispose off the same and remit the proceeds thereto the Seller after deduction of disposal cost or storing cost incurred by the Buyer in respect of the rejected goods. The costs of inspection of goods, which are rejected, shall be charged to the Seller. The Seller shall not replace the rejected goods without the express approval of the Buyer. Buyer shall be entitled to adjust expense incurred/paid for goods rejected.

(6.2) In the event that Seller desires to provide samples of the products, the Seller shall obtain Buyers approval in writing in respect of the samples of the products including the process, methods and tooling employed in the production of the products. Buyer shall then have the obligation to ensure that all bulk supplies confirm with the approved samples in all respects.

(6.3) If upon inspection, the Buyer finds that part of the goods received from the Seller are defective or non-confirming, Buyer shall have the right to cancel and terminate the unshipped 2 portion of the Order without incurring any liability to the Seller towards cancellation whatsoever. It is clearly understood between the Parties that any payment of the goods on this Order prior to its inspection shall not constitute acceptance there of by the Buyer and shall be without prejudice to any claims that the Buyer may have against the Seller, it is also agreed between the Parties that the receipt of the goods by the Buyer for inspection and examination shall not amount to or be construed as acceptance of the same by the Buyer.

(6.4) The making or failure to make any inspection of or payment for the goods, shall not affect the rights of the Buyer to reject non-confirming or defective goods, recover



damages exercise any other remedies to which the Buyer may be entitled notwithstanding the Buyers knowledge of the non-conformity or defect, its substantiality or the ease of its discovery.

(6.5) Buyer shall have the right, without any liability or obligation whatsoever, to cancel the Order or any part thereof if the Seller fails to comply with or fulfil any of the terms of the Order. Provided however that the Buyer reserves the right to carry out repairs of the defective goods, material and parts and to claim and recover from the Seller all costs and expenses incurred in this regard including but not limited to labor costs, material costs and factory overheads.

7. Warranty

(7.1) The Seller represents and warrants to the Buyer and each of its successors, assigns, customers and users of the products that:-

(a) The goods shall be of the quality and specifications set out in the best grades of their respective kinds if no quality is specified in the Order.

(b) The goods shall conform to the specification, drawings, samples and other descriptions contained in the Order and all representations made by the Seller and or its representatives in this regard;

(c) The goods shall be merchantable and be fit for the Buyers particular purpose;

(d) The installation of the goods shall conform to and operate with the Buyers products without prejudicing the operations thereof;

(e) At time when the goods are delivered to and accepted by the Buyer the same shall have been produced, produced sold and delivered in strict compliance with all applicable laws, municipal ordinances, regulations labor agreement and working conditions to which the goods are subject;

(f) The goods supplied to the Buyer pursuant to the Order are free of any claims or liens or encumbrance of whatever nature in favor of any third party, which is not declared or known to the Buyer before or at the time when the Order was placed.

(7.2) The warranty obligations of the seller set out in clause 7 above are valid for a period of one year or for period as agreed otherwise from the date when the products are put into service or operation.

(7.3) The Seller shall have the obligation, at its own cost and expense, to repair, replace or supplement any defects, defective parts or shortage of the goods which arise due to defective materials or poor workmanship or design as may result upon inspection by the Buyer or its authorized representatives.



(7.4) In the event of restoration or replacement of the products, the Buyer shall extend the warranty period by a period of 6 months each time from the date the warranty works performed by the Seller is approved and accepted by the Buyer.

(7.5) Seller represents and warrants to Buyer to ensure availability of spare part for a period of 10 years from the date of supply.

8. Accounting of Stocks

The Seller shall account to the Buyer, at least one every month, for the raw materials and or the components delivered to the Seller for manufacture of the goods against the Order. In the event that there is any rusting or spoilage or loss of the Materials or components provided by the Buyer, the Seller shall reimburse to the Buyer all costs and expenses in respect thereof.

9. Indemnification

Seller agrees to indemnify, defend and hold harmless each of

- (i) the Buyer
- (ii) each of buyers affiliates, assigns and successors in interest, as the case may be; and
- (iii) each of the respective directors, officers and employees of the Buyer from and against any and all losses which may be incurred or suffered by any such party and which may arise out of or result formal) any negligence or willful misconduct of the Seller, (b) any breach by the Seller of any of the provisions of the Order in respect of the manufacture and or supply and delivery of the products; (c) any defect in material or workmanship resulting in the failure of the goods to perform to its full capacity as specified in the Order, or
- (d) any breach by the Seller of any of the express or implied warranties herein contained.

10. Contingencies

Performance of any obligations under the Order may be suspended by either party, without liability, to the extent that an act of God, war, riot, fire, explosion, accident, flood, sabotage, strike, lockout or injunction (whether or not such labor event is within the reasonable control of such party) delays, prevents, restricts or limits the performance under the Order, or the consumption, sale or use of the goods or any products manufactured there from or therewith. The affected Party may invoke this provision by promptly notifying the other party of the nature and estimation duration of the suspension period. At the option of the Buyer, either the Order period shall be extended by the term of any such suspension and deliveries committed because of any such



suspension shall be made during the extended period or the total Order quantity shall be reduced by the quantity not delivered during the suspension and in either even. The order shall otherwise remain unaffected. In the event that the Sellers performance is suspended for a period of more than 30 days during the term hereof, Buyer may, at its option cancel the Order upon written notice to the Seller. Provided however it is agreed between the Parties that any such contingency shall not entitle to the Seller to suspend the performance of or fail to supply the goods

(a) for which the consideration, whether in part or in full, has already been paid by the Buyer, or

(b) if the Seller is already in breach or default of any its obligation contained in the Order.

11. Assignment

No right or interest in the Order shall be assigned by the Seller without the prior written consent of the Buyer, and no delegation of any obligation of the Seller shall be made without the prior written consent of the Buyer. The Buyer shall however be free to assign or delegate this order in favour of any third party without obtaining approval from the Seller.

12. Arbitration

(12.1) All disputes, difference or disagreement arising out of, in connection with or in relation to this Order which cannot be amicably settled, shall be finally decided by arbitration to be held in accordance with the provisions of the Arbitration and Conciliation Act, 1996, Any arbitration pursuant hereunder shall be a domestic arbitration under the Applicable law.

(12.2) The venue of arbitration shall be Gurgaon and the language of arbitration shall be English.

(12.3) The arbitration shall take place before a single arbitrator to be appointed by the Managing Director of the Buyer within thirty days of the invocation of the arbitration. The award shall be rendered in English Language and shall be final and binding between parties.

(12.4) Pending the selection of the arbitrator or pending the arbitrator's determination of the merits of any dispute, either Party may seek appropriate interim or provisional relief from any court of competent jurisdiction in India as necessary to protect the rights or property of such Party.

13. Governing laws

This Order shall be construed and the legal relations between the Parties here to shall be determined and governed according to the laws of India and the Courts of Gurgaon shall have sole jurisdiction.



14. Code of Ethics

Seller agrees to conduct all its dealings with Buyer, its management, employees and other business associates, in a very ethical manner.

Seller agrees to comply with the requirements of UTC Supplier Code of Conduct, including: (i) complying at all times with applicable law, including laws prohibiting collusion, conflicts of interests, corruption, and unfair competition; (ii) refraining (directly or indirectly) at all times from offering, promising, attempting to provide, or providing: any corrupt payment; or any Seller's employee or Government Official, any ownership or financial interest in Seller; (iii) promptly and accurately recording in its books and records all transactions and expenses related to its work for the Buyer.

Buyer, in its Code of Ethics strictly prohibits its employees from demanding/ accepting or payment of illegal gratification in the form of bribes or kickbacks either in cash or in kind in the course of all their dealings with outside parties. Buyer shall provide copy of .Code of Ethics. to Seller..

Seller shall refrain from giving or attempting to pay illegal gratification/ bribes/ kickbacks to any employee of Buyer. Any attempts to provide such personal gratification to any Buyer employee will be viewed in a very serious manner and where there is confirmation of such instances, it may lead to: Cessation of all business dealings with Buyer
Blacklisting with Buyer and its associates for any future business.

Reporting of matter to law enforcement agencies.

Appropriate legal action, where necessary.

Seller will provide all possible assistance to investigate any possible instances of unethical behaviour or Code of Ethics violations by an employee of Buyer or an employee of the Business Associate.

Seller will disclose forthwith any breach of Buyers Code of Ethics that comes to its knowledge.

Seller represents that it is not a denied party under any Indian, US or international sanctions regime. It shall notify the Buyer immediately if it breaches this representation. The Buyer has a right to suspend or terminate this Order in event of breach of this clause or if Seller becomes a denied party under abovementioned sanctions regime.

15. The Seller agrees to meet EH&S criteria/deliverables as set out by Buyer, detailed account of which can be obtained from Buyer. The relationship of the Parties under this Order is that of independent contractors. Nothing in this Order shall constitute or be deemed to constitute either Seller as the legal representative or agent of the Buyer, nor shall Seller has the right or authority to assume, create, or incur



any liability or any obligation of any kind, expressed or implied, in the name or on behalf of the Buyer save and except to the extent provided elsewhere in this Agreement.

16. Validity of order: This order shall be deemed to be cancelled after 6 month from the date of issuance of order unless Buyer sent a mail / letter for extension thereof.

16.1 Upon occurrence of the following events, Buyer shall be entitled to terminate this Order and be: (a) relieved of its obligation to make future payments to the Seller; and (b) entitled to recover damages arising from such breach, if:

- (i) Seller fails to perform Services; or
- (ii) Seller subcontracts the whole or part of services or assigns this Order or its obligations under this Order; or
- (iii) Seller fails to provide the services or fail to meet the time line agreed under this Order, or abandon services or plainly demonstrates an intention not to continue performance under this Order; or
- (iv) Seller is in breach of its obligations under this Order, which breach has a material adverse effect on the Buyer and, if capable of remedy, is not remedied by Seller within 24 hours from the date of notice calling upon Seller to rectify the breach; or
- (v) Seller is adjudged insolvent or bankrupt;
- (vi) Any proceedings are instituted by or against the Seller seeking relief, reorganization or arrangement under any laws relating to insolvency, or upon any assignment for the benefits of creditors; and
- (vii) A receiver, liquidator or trustee is appointed of Seller or its property or assets, or the liquidation, dissolution, or winding up of its business.

16.2 The Buyer may terminate this Order at any time with or without cause by written notice to the Seller. In such circumstance, the Buyer shall pay undisputed amount due to be paid for services satisfactorily performed till the date of termination.

16.3 The Buyer may also terminate the Agreement immediately in any of the following events: (i) Seller or any of its directors, officers, or employees becomes for any reason persona non-grata in jurisdiction where services are performed or to any Government, Government Official; or (ii) Seller fails or refuses to cooperate with any audit or investigation by the Buyer. In such circumstance, the Seller shall be: (a) relieved of its obligation to make any future payments to Seller; and (b) entitled to recover damages arising from such breach.

16.4 Upon expiration/termination, Seller shall not make any use whatsoever of the information disclosed or communicated to them by the Buyer hereunder or acquired by Seller in connection with or generated by Seller or as a result of the implementation of this Order and shall return any document/



consignment/ paper/writings in its possession.

16.5 The terms provided in this Order which need to survive shall so survive after termination or expiration of this Order.

17. Audit: Seller agrees to provide upon reasonable notice, or an authorized representative of Buyer, with sufficient access to its operating sites, personnel, and Books and Records (inspection and reproduction) for Buyer to assess and verify Seller's: (i) compliance with agreement; and (ii) accounting and business practices relating to the work performed for Buyer.

15. Privacy:

15.1. Data Privacy Laws means applicable national, state and provincial laws relating to data privacy, the protection of personal information or data, and transfer of personal information or data, including, without limitation, Indian laws and regulations.

15.2. Carrier Personal Information or Carrier PI means any information or data, provided to Seller or its agents or subcontractors in connection with this Agreement and related transactions that relate to any identified or identifiable natural person or in a conflict with applicable law, that is subject to any Data Privacy Laws.

15.3. Seller shall:

15.3.1. comply with all applicable Data Privacy Laws and only collect, access, use, or share Carrier PI, or transfer Carrier PI to authorized third parties, in performance of its obligations under the Agreement, in conformance with Carrier's instructions, or to comply with legal obligations. Seller will not make any secondary or other use (e.g., for the purpose of data mining) of Carrier PI except (i) as expressly authorized in writing by Carrier in connection with Carrier's use of the Services/Goods, or (ii) as required by law;

15.3.2. not share, transfer, disclose or provide access to Carrier PI for any third party except to provide services/goods under the Agreement or as required by law. If Seller does share, transfer, disclose or provide access to Carrier PI to a third party, it shall: (i) be responsible for the acts and omissions of any subcontractor or other third party, that processes (within the meaning of the applicable Data Privacy Laws) Carrier PI on Seller's behalf in the same manner and to the same extent as it is responsible for its own acts and omissions with respect to such Carrier PI; (ii) ensure such third party is bound by a written agreement that contains the same or equivalent obligations and protections as those set forth in this Section; and (iii) only share, transfer, disclose or provide access to a third party to the extent that such conduct is compliant with applicable law;



15.3.3. Security. maintain reasonable and appropriate technical, physical, and administrative safeguards intended to protect Carrier PI, including reasonable access restrictions to any locations containing Carrier PI, such as the storage of such servers and records;

15.3.4. Assistance. provide Carrier with commercially reasonable assistance in deleting, enabling individuals to opt-out, purging Carrier PI upon Carrier's request;

15.3.5. Requests. immediately inform Carrier in writing if it learns of any: (i) complaint or allegation indicating a violation of Data Privacy Laws regarding Carrier PI; (ii) inquiry, complaint, or request from one or more individuals seeking to access, correct, or delete or relating to the collection, processing, use, or transfer of Carrier PI; and (iii) any regulatory request for, subpoena, search warrant, or other legal, regulatory, or governmental process seeking Carrier PI.

15.3.6. Breach. provide written notice to Carrier no later than 48 hours of any actual or reasonably suspected incident of accidental, unauthorized or unlawful destruction, loss, alteration, or disclosure of Carrier PI of which it becomes aware (Security Breach); Seller shall take all reasonable measures to contain and remedy the Security Breach; provide Carrier with information regarding investigation and remediation, and not make any notification, announcement or otherwise authorize any broadcast of information about a Security Breach without Carrier's prior written consent, unless required by law.

15.3.7. Transfer. Seller will only transfer sensitive Carrier PI outside of India where the data principal provides explicit consent, and there are appropriate safeguard in place to protect the sensitive Carrier PI.

15.3.8. Consent. If Seller provides Carrier with personal information protected by Data Privacy Laws, Seller shall ensure that such personal information is provided consistent with applicable law, including obtaining consent / providing notice, and sharing Carrier's privacy notice at <https://www.carrier.com/carrier/en/worldwide/legal/privacynotice>



EHS Standard Work Instruction (SWI)

SWI Title: EHS requirements CARL Procedure 10

Version 00

Effective Date: Jan15

Scope : The scope is to provide guidelines on EHS requirements that to be followed by Service Provider working at customer site providing mechanical/electrical/compressed gas related job-work services

1. Activity/Action

- (a) To ensure job related EHS training (including but not limited to PPE requirement, Emergency Evacuation, Cardinal Rules, Compressed gas safety as applicable etc.) through "Trainers" trained by Service team/Service EH&S coordinators/Regional EHS Manager before starting the job.
- (b) To ensure EHS inspection to be conducted and understand the Hazard & Prevention & Control before Starting of the Job and submit the same to Service technician.
- (c) Compliance of Carrier Cardinal Rules as per the Safety First card as well as EHS rules & procedures.
- (d) TO use PPE as applicable. (Safety shoes, Safety Goggles Mandatory, Other PPE as applicable to job work)
- (e) Additionally to follow any other safety guidelines given by customer.
- (f) Use secondary containment for waste oils and for other wastes like e-waste, etc., please dispose it through an authorized recycler as specified by company procedures.
- (g) The workmen of Service Provider should be knowledgeable about the emergency exit plan of customer site.
- (h) Compliance to working permits, welding & cutting, working at height, confined space entry as per site requirement.
- (i) All Tools/Tackles, Welding equipment/Electrical equipment shall be inspected before start of the work.
- (j) No electrical portable tool is allowed to use without GFCI/ELCB of 10ma or less trip level.
- (k) Service Provider workmen should carry ID cards as given by the employer and Carrier Safety First Cards to sites.
- (l) Service Provider should put all barricading/visuals/warning instructions during execution of the job.
- (m) Any workmen working on compressed gas/Refrigerant should be trained on handling before the start of work.
- (n) Service Provider shall depute specialized person for specialized jobs like welding, electrical, compressed/refrigerant gas etc.

2. Disciplinary Action Procedure:

Compliance with EH&S rules and procedures will be monitored through inspections / Audits program of Carrier and



recommendation for improvements will be enforced consistently as per Carrier standard policy.

3. EHS Support:

Service Provider can take support from EHS/Service Team if he needs any clarification or further re-orientation on EHS rules and procedures.