



Donaldson Company, Inc.

Global Procurement Sourcing Event Terms & Conditions

DONALDSON intends to conduct Sourcing Events, including Requests for Quotation (RFQ) and Auctions, through an electronic platform within our Oracle software system. Participant agrees to participate in these Sourcing Events in accord with the Terms and Conditions of this Agreement. The delivery of goods and/or services that are awarded to a Participant will be subject to separate Terms and Conditions outlined in the actual Purchase Order.

1. Scope of this Agreement

- a. Donaldson entities: Shall include all Donaldson legal entities participating in this Sourcing Event as part of DONALDSON COMPANY INC., 1400 W 94th Street, Bloomington, MN 55431 (hereafter called as DONALDSON). An updated list of all Donaldson locations can be found on: donaldson.com
- b. Supplier Entities: Shall include the Supplier legal entities participating in this Sourcing Event. (hereafter called as PARTICIPANT)
- c. Participant accepts this Agreement by clicking the relevant checkbox in the entry page of the invitation to participate in the Sourcing Event. DONALDSON may amend this Agreement from time to time.

In this case DONALDSON shall inform Participant with adequate notice prior to any amendment becoming effective. Participation in a Sourcing Event after receiving notice of an amendment shall constitute consent to such amendment or supplement.

- d. All additional/separate conditions and comments stated by the Participant within the bid are only valid if confirmed by DONALDSON in written form.
- e. In the event Participant does not consent to any amendment, it may terminate its participation at any time and its former bids become invalid. Section 13 (Term and Termination) remains unaffected by this.

2. Authorizations to Participate

- a. Online Sourcing Events are by invitation. Only Participants who are capable of meeting the requirements and who are approved by DONALDSON will be invited to participate to DONALDSON Sourcing Events
- b. The Participant is duly authorized to participate in the Sourcing Event if it has, before the Sourcing Event, received a valid User ID and password from DONALDSON, and if it has a system that complies with the technical prerequisites determined by DONALDSON.
- c. DONALDSON reserves the right to authorize individual Participants to alternatively submit bids via the telephone or e-mail ("surrogate bidding"), if necessary due to technical reasons.
- d. The Participant has no automatic right to be invited to an Event.
- e. During course of the Sourcing Event, the Participant may not:
 - provide incorrect information during registration,
 - abuse the Tool (in particular e.g. providing of an offer under a false name),
 - breach public morality,
 - violate industrial property or copyrights or any other proprietary rights,
 - transfer contents containing viruses, so called "Trojan horses" or other programs which could damage software,
 - transmit, store or enter hyperlinks or contents to which the Participant is not entitled, in particular in cases where such hyperlinks or contents are in breach of confidentiality obligations or illegal; or
 - distribute advertising or unsolicited e-mails (so-called "spam") or incorrect warnings of viruses, defects or similar material and the Participant shall not solicit or request the participation in any lottery, snowball system, chain letter, pyramid game or similar action.
- f. DONALDSON reserves the right to block the access authorization of users who have or are suspect of having violated these obligations.
- g. The Participant shall give DONALDSON all necessary data for creating its user profile. It is responsible for checking its profile data and for giving complete and true data necessary for the registration (especially the e-mail address), i.e. inform DONALDSON immediately as to any change in its profile.

- h. The Participant shall ensure that the user ID and the password are carefully stored and treated in such a way so as not to be lost and so that such are secure from access by third parties.
- i. The Participant shall inform DONALDSON immediately if the password is lost. DONALDSON will disable the account of the Participant directly after having been notified of such loss. Any possible new registration of the Participant remains unaffected thereby.
- j. If any third party receives the user ID and/or password, the Participant shall be made liable for all acts executed under this user ID and password until such time as notice of loss is received by DONALDSON, except for cases where the Participant is able to prove that it was not responsible for the act or omission.

3. Participation

- a. As soon as the user ID and the password are used, DONALDSON assumes that the Participant or their authorized representative is participating to the Sourcing Event.
- b. The Participant shall notify DONALDSON as to its participation in the Sourcing Event; if a date is set for this in the invitation, by that date. The participant shall specify in particular the person who will participate in the Event in the name and with the authority of the Participant.

4. Binding effect of bids

- a. The goods or services described by DONALDSON within the Sourcing Event in order to receive bids shall, itself, not represent any binding offer by DONALDSON, but rather a simple invitation for an offer by the Participant.
- b. Bids are legally binding offers with regard to the invitation for offers and will subsequently fall within the scope of the Purchase Terms and Conditions of DONALDSON (which will be reviewed between parties). All given statements and offers/bids by the Participant have the same validity towards DONALDSON as if they were stated in written form.
- c. It is not possible to change or withdraw any offer received by DONALDSON. The right to cancel or challenge due to a serious mistake remains unaffected thereby.
- d. The period of commitment for an offer is set forth in the special conditions and/or the invitation. If no period is specified, the Participant shall be bound by its last offer for 30 days.
- e. All offers are made in the currency defined in the Sourcing Event.

5. Bidding process

- a. Participants can only submit a bid between the start and end time (within the duration of the Sourcing Event) stated in the system. After the end time has been reached and the Sourcing Event is closed, no more bids will be accepted by DONALDSON.
- b. Possible bidding period extensions may be considered by DONALDSON. The end time is reached after the last bidding period extension has expired.
- c. In the case that the content or parameters of the Sourcing Event are changed by DONALDSON during the Sourcing Event, all Participants will be informed about the changes. In this case Participant may terminate its participation. Its bids will then be considered as null and void. Further participation in the Sourcing Event after receiving notice of a change of content or parameters shall constitute consent to such change.
- d. No bid may be cancelled or withdrawn by the Participant except for the reason that the Sourcing Event parameters or content were changed by DONALDSON without informing the participants about these changes
- e. By submitting a lower bid within the Sourcing Event, an earlier submitted higher bid by the Participant during the Sourcing becomes automatically invalid.
- f. DONALDSON may transmit all data necessary for the Sourcing Event (e.g. the best offer) in a depersonalized form to the other Participants.
- g. DONALDSON and Participants will not, under any circumstances, enter false or fake bids in an online Sourcing Event to stimulate bidding.

6. Monitoring

The Sourcing Event shall be monitored Sourcing by Donaldson. If there are any doubts about a mistake in an offer that has been sent, DONALDSON reserves the right to reject such offer in order not to interrupt the process of the Sourcing Event.Sourcing. If an offer is rejected by DONALDSON for this reason, the Participant shall be immediately informed by DONALDSON. In case an offer has been rejected due to such reasons, any claims of any kind against DONALDSON by the Participant are excluded regardless of the legal basis.

7. Outcome of the Sourcing Event

- a. DONALDSON will consider multiple criteria in addition to price to award the business completely or partially to one or more best-total-cost Participant(s) by consideration of the Participant bids. DONALDSON has no obligation to award the business to one or more Participants. All bids may be rejected if found not adequate.
- b. The Participant(s) to whom part or all of the business specified by Donaldson will be awarded, agree(s) to submit detailed open-book costing which will be reflected in a template supplied by Donaldson before and after the Sourcing Event and which will contain all the necessary detailed lines. The template, duly filled in, should be returned to Donaldson within the next two working days following the Sourcing Event. The awarded Participant(s) agree(s) to hold the prices for a period of six (6) months minimum.
- c. DONALDSON may extend, end or re-open a running Sourcing Event or repeat a closed Sourcing Event in order to guarantee fair and transparent procedures.
- d. DONALDSON will communicate to all bidding Participants the outcome (whether they won or not) of the Sourcing Event within a reasonable time period after the Sourcing Event.
- e. Any information given to Participants regarding the Sourcing Event will be given to all Participants evenly. Participant questions and suggestions, DONALDSON responses, lot structures and other parameters of the Sourcing Event will be communicated evenly to all bidding Participants.

8. Exclusion of Participants

DONALDSON reserves the right to exclude a Participant from a Sourcing Event, if such Participant does not submit a bid within the deadline after the start of the Sourcing Event; such deadline shall be communicated by DONALDSON prior to the Sourcing Event. As such the other Participants in the Event are protected from unreasonable benchmarking, as the platform is a business platform and not an information platform.

9. Costs

Participant agrees to bear all costs occurring in connection with the Sourcing Event, e. g. costs of communication, working hours. Fees paid to the 3rd Party Service Provider to enable the Tool for Sourcing Event is covered by DONALDSON.

10. Personal Data

In relation to any personal data being saved or processed, DONALDSON shall meet the requirements of the data protection law. At the same time, the Participant gives its consent to process and transmit the data necessary to the implementation of the Sourcing Event and shall ensure, as far as personal data is concerned (e.g., about its employees), that any concerned person gives consent to the processing and transmitting of personal data for the purposes of participating in the Sourcing Event.

11. Liability

- a. The participation of a Participant in a Sourcing Event shall be at the sole responsibility of the Participant. The liability of DONALDSON for damage of any kind occurring due to the participation in the Sourcing Event, especially for service interruption, lack of profit, loss of information and data as well as consequential harm caused by any defect is excluded. The liability of DONALDSON is also excluded for damage due to virus, trojan horses, hoax-virus or comparable programs or the like, as well as programs, parts of programs or codes causing the same kind of damage, destruction or shutdown of systems or parts of the systems. The Participant shall take measures against any virus and other destructive data. The liability of DONALDSON for the wrong transmission of data, the manipulation of data by a third-party, especially through non-allowed access to the networks and systems of DONALDSON, or the non- transmission of data is excluded.
- b. However, the liability is unlimited with regard to injury to life, body or health, in cases of intent or gross negligence and for breach of warranty, according to the law of product liability.

12. Confidentiality

- a. Neither party, nor its Personnel, agents, directors or advisers, shall use, nor disclose to any third party (other than for the purposes of performing this Agreement), any Confidential Information including the contents of this Agreement or its existence. The parties agree that any Confidential Information obtained from, or relating to, the disclosing party shall be and stay the property of the disclosing party.

- b. The provisions of this Clause shall not apply to Confidential Information which:
 - can be proved to have been in the possession of the receiving party prior to disclosure under this Agreement;
 - is lawfully disclosed to the receiving party by a third party without restriction on disclosure;
 - is in or becomes part of the public domain (otherwise than by a breach of this Agreement);
 - is independently developed by the receiving party without dependence on the Confidential Information;
 - is disclosed pursuant to legal obligations beyond the control of the disclosing and receiving parties;
 - is disclosed to appropriate governmental or self-regulatory organization; or
 - is released without prior written approval of disclosing party.
- c. Each party hereby agrees that on the expiration or termination of this Agreement, or any subsequent Maintenance Period (whichever is later), or upon the request of DONALDSON, it shall within 30 days return, delete or destroy (as the parties shall agree) all of the Confidential Information in its possession, and also procure the return, deletion or destruction (as the parties shall agree) of any Confidential Information in the possession of any third party; save that one copy of the Confidential Information may be retained to substantiate the deliveries or services and/or for legal purposes where deemed necessary. The Participant shall, upon request, give a written declaration that these measures have been carried out.
- d. The contents of the present Agreement shall be treated with confidentiality.
- e. If the Participant is provided with drawings, tools, plans or other documents, said objects shall exclusively remain the property of DONALDSON. The Participant shall not be entitled to copy said objects, pass them on to third parties or give unauthorized parties knowledge of their contents without the prior written consent of DONALDSON.
- f. Regardless of the above stated obligations relating to the handling of Confidential Information, DONALDSON shall be entitled to provide Information on the existence and the content of this Agreement to its employees through the company intranet.
- g. In the event of a termination of this Agreement both parties shall be obliged to maintain confidentiality as defined above for a time period of five (5) years after termination of this Agreement unless longer confidentiality is required by any applicable law.

13. Term, Termination

Irrespective of Section 1.3 of these General Conditions, this Agreement may be terminated with the observance of a period of notice of 30 calendar days. The validity of any goods and services contract awarded due to a Sourcing Event remains unaffected thereby.

14. Final provisions

- a. Modifications and amendments to this Agreement shall not be valid unless made in writing and signed by both Parties.
- b. Any provision of the present Terms and Conditions that is found to be invalid, voidable, unenforceable or contrary to law shall be disregarded in the performance or interpretation of these Terms and Conditions; the rest of the Terms and Conditions shall, however, remain in effect. The provision in question shall be replaced by a valid and enforceable provision at most closely reflects the intent and purpose of the Parties as far as is legally permissible.
- c. Terms and Conditions other than those in this Agreement shall only be valid if they have been expressly acknowledged in writing by both Parties to the Agreement and have been signed by the persons authorized by the Parties. In particular, they shall not obligate DONALDSON without its express written acknowledgment.

15. Venue, applicable law

- a. Depending on the DONALDSON entities involved into a Sourcing Event, DONALDSON has the right to choose the country(ies) of which the laws shall govern this Agreement as well as the place of jurisdiction for any legal disputes shall be placed.