

GENERAL PURCHASE CONDITIONS OF TERBERG TOTAAL INSTALLATIES BV

In case of conflict between the Dutch and English version of these General Purchase Conditions the Dutch version will prevail.

Section A: GENERAL PROVISIONS

The provisions in this section apply to all agreements between the Client and the Contractor unless one expressly deviates from them by written agreement.

1. Applicability

1.1 These general terms and conditions apply to all requests, calls for a wide range of offers, quotations, agreements and conventions where the Client acts as purchaser or acquirer of affairs and goods (hereinafter referred to as: Goods), as well as the Client in respect of the services or (sub)contracting of work performed, including (sub)contractive work, design work, as well as the, by the Client to the Contractor, requested work, all in the broadest sense of the word (hereinafter referred to as: Services).

1.2 These terms and conditions apply to the (establishment) of all contracts the Client will close. Deviation from these terms and conditions can only be agreed upon in writing.

1.3 For "Client" one refers to Terberg Totaal Installaties Utrecht bv and/or Terberg Totaal Installaties Rotterdam bv.

1.4 For Contractor one refers to the natural or legal person with whom the Client negotiates on the establishment of a contract or agreement.

1.5 The general terms and conditions of the Contractor, under any name whatsoever, do not apply, and are hereby expressly rejected.

1.6 In case of services provided/ contraction of work, both the provisions in respect of the Supply of Goods (Section B), and the provisions in respect of the services/adoption of work (Section C) apply.

1.7 If any inconsistencies may exist between the provisions in these general terms and conditions, the agreement(s) established between both parties, and laws and/or regulations, the most stringent provision will apply to the Contractor, unless expressly determined otherwise in writing.

2. Establishment of an agreement

2.1 A request made by the Client is followed by an irrevocable offer made by the contractor.

2.2 An agreement between the Client and the Contractor is established on the basis of the, by the Client designed order confirmation, order form, or different written document (hereinafter referred to as: Agreement) with which the Client wishes to establish the agreement.

2.3 If a written agreement drawn up by the Client follows an offer of the Contractor, the agreement will be concluded at the time that the agreement has been sent by the Client. If a written agreement is established by the Client prior to an offer made by the Contractor, the agreement will be concluded on the implementation of the services, or the delivery of the goods, in accordance to the agreement.

2.4 In the event of an oral agreement, the implementation of the agreement will be suspended until the time that the written confirmation in the form of an Agreement has been sent by the Client. The implementation of the oral agreement is, however, not suspended if, at the time of the oral agreement, an order number has been provided by the Client to the Contractor.

2.5 In the event of call-off contracts, the agreement will be established at the time when the Agreement for a (part) delivery, within the framework of the call-off contract, is sent by the Client.

2.6 In appropriate cases the procurement procedure, as referred to above, also used by means of EDI-messages (EDI = Electronic Data Interchange; Electronic Data Traffic), where the EDI-messages will be equal to the written submissions.

3. The Content of the Agreement

3.1 The agreement of the Client shall constitute the entire agreement between Client and Contractor and, in principle, includes all arrangements and conditions that will apply between the parties. If, during the implementation of the agreement one makes use of the, by the Client allotted or approved lay-outs, models, designs, sketches, drawings, patterns, specifications, technical information, special application techniques, instructions, testing requirements and so forth, these will also be part of the agreement.

3.2 No commitment, appointment by or representation of the Client, his agent, or any person of the staff is binding to the Contractor, unless this is confirmed in writing by an individual appointed for that purpose by the Client.

3.3 Every change in the implementation of the agreement, in addition to, any further agreement which deviates from the conditions set in the agreement, is merely binding to the Client, after a written and signed confirmation amending the agreement.

3.4 The Contractor shall not, throughout the duration of the agreement up to a year after, without the written consent of Client, hire individuals who:

A) carry out work for the client;

B) carried out work in service of the client, when a year has not passed after the termination of the employment relationship with the client, nor, either directly or indirectly contract for work or the provision of services.

4. Reverse charge mechanism value added tax

4.1 Unless agreed upon otherwise in writing, the reverse charge mechanism of value added tax applies to the agreement between Client and Contractor.

5 Failure/Dissolution of the Agreement

5.1 If the Contractor does not comply with, one or any of his obligations under these terms and conditions, or other agreements which result therefrom, in case of bankruptcy or suspension of payment, and in the event of closure, liquidation or acquisition, or any similar situation to the

Contractor's company, he shall be in default by operation of law, and the client shall have the right:

- to partly, or in whole, dissolve the agreement without formal notice, and without the intervention of the court by means of a written notification to the Contractor,
- and/or suspend payment obligations,
- and/or partly, or in whole, commission the implementation of the agreement to third parties, without the Client being obliged to pay any compensation whatsoever, and without prejudicing any additional rights, including the Client's right at full compensation.

5.2 The Client has the right, if the contractor accountably fails at the implementation of the agreement, and does not meet the written summations within the time-limit to comply with and make notice of a default on the part of the Client, to dissolve the agreement, and immediately terminate the implementation as executed by the Contractor. In this case the Contractor shall be liable for all damages the Client has suffered as a result of the rescission of the contract and the termination of the activities, while the Client shall never be liable for any damage which the contractor might suffer as a result of the termination of the agreement and the dissolution of the execution.

5.3 Furthermore, the Client shall be entitled to terminate the agreement immediately in the event of the bankruptcy of the Contractor, or when suspension of payment is pronounced, or likely to be requested.

5.4 If agreed upon, or if the situation arises out of the nature and scope of the agreement, the agreement will end on the agreed upon date, or when the performance delivered by the Client is accepted, or the final advice has been released. The agreement continues with respect to any assurances and guarantees provided by the Contractor.

5.5 In the cases as referred to in paragraph 1 and 2 of this article damages are: any disadvantages the client suffers as a result of the dissolution/interim termination of the agreement, under which expressly understood damage due to delay, the claims of third parties, and the (additional) costs resulting from work carried out by third parties, or themselves.

5.6 Any claims which the Client may have or acquire against the Contractor in the situations referred to in the preceding article will be immediately due and payable in full. Once the Contractor is in default, the Client shall be entitled to collect all amounts owed, without further notice of default. All associated (extrajudicial) costs are payable by the Contractor.

5.7 If the Contractor appeals for a non-accountable shortcoming, the Client has the right to terminate the agreement in accordance with the conditions of this article

5.8 Obligations which are by their nature intended to continue after the dissolution of the agreement, will continue after the dissolution of this agreement.

5.9 These obligations include, but are not limited to the provisions concerning: guarantees, extended operational

guarantees/safeguard clauses, confidentiality, publicity, applicable law and disputes.

6. Rates

6.1 Unless expressly documented elsewhere, all rates, as referred to in the Agreement, include all costs for packaging, transport, insurance, and import documents to the place of destination DDP as indicated in the Agreement.

6.2 The agreed-upon prices are fixed, are therefore not subject to revision, denominated in currencies as mentioned in the Agreement, exclusive of value added tax (VAT), and based on the delivery condition DDP or similar term, delivery duty paid at the agreed place of delivery.

6.3 The Contractor certifies that the net prices for the, on the basis of the Agreement to the Client, sold goods are not less favorable than those of recently sold goods to other customers for the same or similar goods in equal or smaller quantities. In the event that the Contractor reduces his rates of the said goods during the delivery period as mentioned in the Agreement, the rates of the goods shall also be reduced.

6.4 No deliveries on demand will be carried out at a higher rate than the last notified rate without prior written approval of the Client of such an increase in rates.

7. Billing and Payment

7.1 Payments will be made on the basis of the net invoice amounts no later than 60 days after receiving the ordered goods, accepted by the Client, and the receipt of all associated documentation in the Dutch language (inter alia with regard to maintenance, operation, safety, drawings, quality and guarantee certificates) or 60 days after receiving the invoice, whichever of the two possibilities is the latter.

7.2 In the event of payment within 30 days a discount will be given of 1%. In the event of payment within 8 days a discount will be given of 2%. With regard to invoices subject to a payment discount scheme, the discount period shall be deemed to begin when receiving the goods at the place of destination given by the Client, or when receiving the invoice, whichever of the two possibilities is the latter. If invoices should be returned for corrections, the discount scheme will begin when the adjusted invoice has been received. Interest as charged by the Contractor will never be due.

7.3 The Client is authorized, before the payment is made, in addition to, or instead of transfer of ownership, to require that the Contractor shall arrange an unconditional and irrevocable bank guarantee for his account, issued by a, to the Client acceptable banking institution, to assure the fulfilment of his obligations.

7.4 Invoices of the Contractor must comply with the Law on Turnover Tax. In any case, the invoice must include: job description and project number; the date or the period and the services provided to which the invoice relates; the entry of the Reverse charge mechanism value added tax applies; the Contractor's wage tax number and the number of the Contractor's G-account.

7.5 Payments made by the Client to the Contractor with respect to work will be carried out in accordance with the payment term provided by the Contractor which shall be approved in advance by the Client. In addition, the Client will be liable for payment only after the work, or a part thereof has been delivered to the Client, and approved by the Client, and after the Client has signed a performance receipt, showing that the, by the Contractor invoiced work has been correct and delivered in full.

7.6 If the Client by his Client's will not pay for the invoiced work as delivered by the Contractor, the Client will also not (yet) be liable for payment. The Contractor is not entitled to dissolve the agreement or suspend the work.

7.7 Payments will not take place until the, by the Contractor, signed copy of the order without additions is in possession of the Client within ten days of sending the order confirmation to the Contractor.

7.8 Payments made by the Client shall in no way constitute a waiver of rights and do not release the Contractor of his obligations as agreed-upon in the agreement.

7.9 In case the Client does not comply with his payment obligation in respect of the owed and claimable invoice made by the Contractor, he is only obliged to compensate the legal interest rate ex Article 6:119 of the Dutch Civil Code. In addition, the Client will not be liable for extrajudicial debt collection costs.

7.10 Unless otherwise agreed, the Client will deduct less work invoices with the next payment of an invoice, and pay additional work invoices upon termination of the agreement.

8. Liability and Penalty Provision

8.1 The Contractor is liable for each disadvantage, cost, case and/or injury caused to the Client, his staff or third parties arising from the implementation of the Agreement, the delivery and/or installation and/or maintenance of the goods and/or services to be performed as specified in the Agreement, or are the result of failing to comply with health and safety and/or environmental legislation, or are the result of a defect in the goods supplied by the Contractor so that it does not provide the safety a person is entitled to expect; regardless of whether the abovementioned disadvantages are caused by the Contractor himself, his staff and/or subcontractors, or all of those who are involved in the execution of the agreement.

8.2 The Contractor shall indemnify the Client against any claims made by third parties for compensation of the damage suffered. For the application of this article staff and employees of the Client will also be deemed as third parties.

8.3 The Contractor will be obliged to take out and maintain sufficient insurance cover against the liability referred to in this article.

8.4 The Client has the right, but is not obliged to do so, to compensate and/or restore all damages caused by the Contractor at the expense and risks of the Contractor. The

associated costs shall directly be reimbursed to the Client by the Contractor, or deducted from the next payment.

8.5 The Contractor indemnify the Client for claims of third parties to claim compensation as a result of shortcomings in the delivered products, including safety defects as defined in product liability legislation, respectively as a consequence of acts or omissions of the Contractor or its agents.

8.6 If the goods have not been delivered within the agreed time period, at the agreed-upon place, which meet the requirements of the Agreement, the Contractor will owe the Client an immediately due and payable fine of 0.1% of the rates of the products in question, plus the turnover tax, for each day that the shortcoming continues, up to a maximum of 10%. Inasmuch as the delivery has become permanently impossible, the fine shall be due in full immediately.

8.7 The Contractor is also liable for all damages and fines suffered by the Client as a result of not timely, or not properly meeting any of his obligations. Such as, for example, but not limited to fines and damages the Client, in the framework of the agreement with the Contractor, will be charged with. The liability of the Contractor with respect to Article 8.6 shall be without prejudice that the Client is also entitled to be reimbursed for the damages as defined in this paragraph.

8.7 The Client shall be entitled to the penalty without prejudice to all other rights or claims, to include:

- a. The claim for the fulfilment of the obligation to deliver the goods that meet the requirements of the agreement;
- b. His right to compensation for the damages if and insofar as the scope of the damage exceeds the amount of the fine.

8.8 All unpaid fines will be deducted from the amounts due by the Client, regardless of whether the claim for payment has been passed to a third party.

9. Safeguard Clauses

9.1 The Contractor guarantees that the use, including the resale of the goods delivered by him, will not infringe on the patent rights, brand rights, design rights, copyright, or other rights of third parties.

9.2 The Contractor shall, with respect to the goods delivered, as mentioned in the Agreement, and/or services rendered shall protect the Client and its customers and safeguard them against the judicial and extrajudicial costs and/or other damages arising from:

- a. infringement of patents, trademark rights or copyrights in the use or sale of goods as mentioned in the Agreement, unless such violation results from the used materials of goods which were specifically made based on the design or method of the Client;
- b. the non-compliance by the Contractor of the ordinary legal obligations and of the by government given regulations with regard to the manner of application and processing of materials and/or certain goods, as well as those with respect to the used labor in fulfilment of the Contractor's

obligations. The Contractor declares as of now to comply with the legal obligations and regulations;

c. all claims of third parties for compensation of damage and/or bodily injuries caused by default, negligence on the side of the Contractor, or the inadequacy in the used goods, materials, designs, or methods, or damages caused at the time, or resulting from established work or services rendered.

10. Safety; Health; Welfare; Environment

10.1 The Contractor is responsible for the safety, health, and the welfare of the, under his supervision, employed individuals, among which workers, contractors, and subcontractors. The Contractor is obliged to provide the required safety measures in accordance with the applicable laws for the, for this work, prescribed industry requirements, in addition to adhering to instructions and requirements given by the Client, project supervisor, or public bodies such as the inspection SZW.

10.2 Fines imposed by the Inspection SZW or any other competent body to the Client which are, wholly or partly, connected to the, by the Contractor, performed work, or delivered goods, are fully at the expense and risk of the Contractor. The related damages and costs, including any legal costs shall be reimbursed to the Client by the Contractor. In this context the Client is responsible for deducting these damages and costs from outstanding invoices as well as suspending its obligations.

10.2 The Contractor and his staff are obliged to respect, if applicable, the provisions set in the Safety and Health plan of the Client. This plan is, if applicable, available for inspection at the project and will, on request, be sent to the Contractor without delay.

10.3 The Contractor shall take care of the personal protective equipment, in addition to the inspection of critical material (material and means as included in the EH&S Checklist Contractors (V.C.A)). He provides or will take part in toolbox meeting (periodic safety instructions) and shall be responsible for the implementation and enforcement of the rules and regulations which apply to the work. The Contractor is responsible for taking care of other safety measures and for maintaining the safety in general, in accordance with the legal provisions or any equivalent regulations (Health and Safety Legislation/ Personal Protective Equipment).

10.4 The disposal of industrial and hazardous waste shall take place in accordance with the relevant statutory regulations, and are at the expense and risks of the Contractor.

10.5 If goods are delivered and processed according to KOMO/KIWA- certificate, this KOMO/KIWA – certificate should be present prior to the commencement of the when returning the order/agreement. The Contractor enables the Client and/or its representatives to judge the progress, results, and the quality of the product and/or work during the production phase.

10.6 If applicable, the Client will provide clean workspace(s). After the execution of the activities the workspace(s) need to be returned in a clean state by the Contractor. Every day this workspace is cleared by the Contractor, and should be free from waste, packaging, excessive and rejected materials. This is deposited in a, by the working crew determined, place in a compressed size.

11. Termination

11.1 At all times the Client has the power to terminate the agreement in advance by means of a written notification to the Contractor. Immediately after receipt of the written notification, or on the date specified therein, the Contractor will cease the implementation of the agreement. Client and Contractor will consult on the effects of the termination. The cancellation fee will not exceed the costs incurred by the Contractor.

12. Secrecy

The Contractor shall, with respect to all the data and the company information of the Client, of which he needs to understand the confidentiality, as well as all the, by the Client classified, data of which he learns during the implementation of the agreements, maintain strict secrecy towards third parties and his staff, and impose the same obligation to anyone he uses during the implementation of the agreement.

13. Publicity

Subject to the prior written consent of the Client, the Constructor will not refer to a project/work of the Client or to an Agreement of, or refer to an Agreement with the Contractor in publications or advertising in magazines, interviews, advertorials, newspapers, reports, business letters, brochures, or other publications of similar expressions.

14. Licenses

The Contractor shall ensure that all permits and exemptions in relation to the implementation of the agreement have been granted.

15. Settlement

The Client is entitled to a settlement of the agreed upon amounts due, with claims which the Client has on both the Contractor, and the company that belongs to the group the Contractor is associated with.

16. Force Majeure

16.1 The Client reserves the right to, without any further liability, immediately postpone the shipment, delivery of goods and/or services to be performed as specified in the Agreement, or cancel the Agreement completely when such a delay or cancellation has become justified or necessary due to acts or regulations of government, embargoes, measures of civil or military authorities, acts or measures of

a foreign power, not being able to meet the provided transport facilities, a strike, labor unrest, an accident in the Client's company, as well as any other circumstance which remains outside the control and management of the Client. Force Majeure does not include: lack of staff, staff illness, late delivery or unsuitability of the materials or the system software, a breach of contract by third parties hired by the Contractor, or the liquidity and solvency problems on the side of the Contractor.

16.2 If the Client asks the Contractor to postpone the dispatch and/or delivery, the Contractor will store the goods in suitable packaging and ensure that they are recognizable and intended for the Client, he will secure them, and, in consultation with the Client, insure them.

16.3 If one of the parties, for a period of more than 30 days, as a result of force majeure, cannot deliver, or fail in his obligations based on the agreement, the other party will have the right to immediately dissolve the agreement by means of a registered letter, without judicial intervention, and without any right for compensation.

17. No Waiver of Rights

Any failure of the Client to demand a strict fulfillment of the Contractor's obligations, or call upon the provisions in the Agreement, or these general conditions, in no way constitutes a waiver of rights, nor in respect of the provisions in the Agreement and the general conditions, nor the right to compensation due to any failure or error on the side of the Contractor.

18. Intellectual Property Rights

18.1 Any intellectual property rights on, or together with the Contractor, developed products, in addition to software, rest with the Client, or will be transferred to him.

18.2 With respect to, non-specifically designed products for the Client, as well as software, the Contractor shall grant the Client a license with regard to the use of the intended products.

18.3 Insofar as a special act is necessary for the transfer of the rights as referred to in the previous two articles, the Contractor will hereby declare to participate.

18.4 The Contractor guarantees that the use, including the resale of the goods delivered by him will not infringe upon the patent rights, brand rights, design rights, copyright or other rights or third parties. The Contractor guarantees that the use – including the resale – of the delivered products will not infringe upon intellectual property rights of third parties. He shall indemnify the Client and his buyer/client for claims of third parties.

19. Non-Compete

19.1 The Contractor is not allowed to make quotes and/or offers to the Client of the Client that are directly or indirectly related to the implementation of the agreement and/or the Client's relevant project.

19.2 The Contractor shall abstain from direct contact with the Client of the Client regarding the implementation of the agreement and/or the Client's project, except from when the Client has given written permission to do so.

20. Transfer to Third Parties

20.1 The Contractor is not allowed to enable a third party/subcontractor to partially, or in whole, carry out the work as agreed upon in the Agreement between Client and Contractor, The client can attach conditions to his permission.

20.2 Without prejudice to the foregoing the Contractor is not released from his obligations as specified in the agreement, and will remain responsible and liable and at all times for the impeccable fulfilment of the Agreement by a third party/subcontractor.

20.3 In the event of implementation by third parties, to which no consent has been given by the Client, or which do not comply with the conditions laid down by the Client, the Client is entitled to terminate the agreement with immediate effect and without judicial intervention, without prejudice to the Client's right to recover the damage in full.

20.4 If the Contractor is acting as a subcontractor of the Client, the conditions in the agreement between Client and his Contractor, insofar as one does not deviate from the present general terms and conditions, are a part of the subcontracting agreement with the Contractor. Contractor and Client have the same rights and obligations towards each other as the Client and his client have, it being understood that all of what the Client has agreed upon in the Agreement with his Client shall apply to the Contractor as well and vice versa. The Client is to indemnify the Contractor against claims.

20.5 If the Contractor acts as the subcontractor of the Client, he is obliged to the Client upon first request to show the following documents:

- a. Most recent registration in the commercial register;
- b. Most recent registration with a business association;
- c. Establishment permit or exemption, if required, for relevant industry;
- d. Turnover and wage tax number
- e. A statement by a chartered accountant certifying that the Contractor or a third party hired by the Contractor has taken care of the payment of income tax and social security contributions, or declarations about the payment behavior of the Contractor or third party hired by the Client, without any qualification issued by the collector of taxes respectively by the relevant business association;
- f. Declaration of liability insofar as applicable;
- g. A copy agreement of the G-account

20.6 Without prejudice to the foregoing provisions, the Contractor is not entitled to transfer his rights and obligations arising from the agreement(s) with the Client, to third parties without the prior written consent of the Client.

21. Applicable Law and Disputes

21.1 All applications, offers, Agreements, the manner of establishing an agreement as well as the contents and the consequent implementation of such agreement are governed exclusively by Dutch law.

21.2 All disputes – including those only regarded as such by one party – which may arise as a result of an agreement between parties, shall, in the first instance, be settled exclusively by the competent court in the, by choice of the Client, factual or legal place of establishment of the Client.

21.3 These conditions were originally drawn up in the Dutch language. In the event of a dispute because of a translated interpreted version of these terms and conditions, the Dutch language will be authentic and decisive.

SECTION B: PROVISIONS WITH RESPECT TO THE SUPPLY OF GOODS

The provisions of this section shall apply to all agreements of the Client where business/goods are delivered unless one expressly deviates by written agreement.

22. Delivery and Transport

22.1 Unless agreed upon otherwise in writing, the delivery of goods shall be made on the condition of “Delivery Duty Paid” (DDP) or similar term, at the agreed upon place of delivery and punctually at the agreed upon time, or within the agreed upon time limit.

22.2 For the interpretation of the said delivery conditions the “Incoterms” apply, last edition published by the International Chamber of Commerce.

22.3 The, to be, delivered goods need to be accompanied by a packing list. This packing list should include the agreement number as given by the Client, in addition to the item-number(s), number(s), and description(s).

22.4 Delivery periods and delivery numbers of Goods are the essence of the Agreement. If the Goods have not been delivered within the agreed upon time limit, at the agreed upon location which strictly meet the demand of the Agreement, the Contractor shall be in default. The Client is authorized, without further notice, or judicial intervention, to terminate a part or/the whole of the agreement and/or not accept the Goods, if the Contractor is in default with regards to the time limit for delivery, or delivery numbers, unless the Client has given written consent to revise the delivery schedule with respect to delivery time limits and the delivery numbers.

22.5 Goods sent to the Client in anticipation of the delivery schedule do not need to be accepted by the Client and/or can be returned to the Contractor at his own expense.

22.6 Unless explicitly stated otherwise in the Agreement, the Contractor will be responsible and bear all risks with respect to the loss and deterioration of the Goods as ordered under the Agreement (1) until these Goods have been delivered at the Client’s location correctly and in time, regardless of destination FOB, location of approval, or acceptance location and (2) if the goods are rejected.

22.7 The Contractor shall inform the Client in advance about the delivery of the Goods, as well as offer additional information the Client might need to take action which would normally be required when receiving the Goods.

22.8 The Contractor should also set up a contract at his own expense and risk for the transport of the Goods to the place of delivery, and will take care of an adequate insurance. In addition, the Contractor must, at his own expense, provide the Client with the usual transport documents necessary to receive the goods.

22.9 The Contractor shall inform the Client in writing of any circumstance which can cause a delay in the delivery. In such case the Contractor is obliged to do whatever is necessary to fulfil his obligations.

22.10 If the, by the Contractor, to be delivered performance, consists or partly consists of a service, this shall be deemed to be a performance obligation.

23. Packaging

23.1 All Goods will be sufficiently wrapped by the Contractor, so that, during normal transport these goods will arrive at the place of destination in a satisfactory condition and will be suitable for storage. The Contractor will be liable for any damages caused because of insufficient and/or defective packaging, or packaging that does not comply with the requirements of environmental legislation.

23.2 The Contractor is obliged to, where this is reasonably possible, make use of environmentally friendly packaging unless this is, on the basis of (compulsory) regulation, not possible and can lead to an increased degree of danger or damage. The use of environmental friendly packaging will be at the risk and expense of the Contractor and may not lead to an increase in costs.

23.3 All packaging will remain property of the Contractor at the delivery. The Contractor needs to take back his (environmentally damaging) packaging materials and/or chemical waste free of charge in order to hand them in, in a verifiable environmentally responsible way for processing in accordance with the environmental legislation. The Contractor shall, at the request of the Client, submit a statement of acceptance of the waste by a bona fide processor. In addition, the Contractor shall be prepared to provide up-to-date, complete, and correct information about the environmental aspects of the sold Goods and Services.

23.4 The Contractor will take back loaned packing materials, in addition to, in case of a negative transfer of ownership of packaging as before mentioned, on first request of the Client – and do so at his expense and own risk, without additional reimbursement of expenses. Loaned packing materials should clearly be marked by the Contractor. The return of loaned packing materials will be carried out at the expense and risk of the Contractor to a destination specified by the Contractor.

23.5 When, within three months after delivery, the, by the Contractor delivered goods, because of changes in

underlying specification, or other causes, become surplus, the Contractor will take back these goods at their invoiced price. The Contractor guarantees a proper packaging for these Goods.

24. Quality and Inspection

24.1 The Client, or the, by the Client, designated individuals or entities are authorized to inspect all goods and check the place of manufacturing of the Contractor, or the place of destination, or all said places without further costs for the Client. The Contractor shall grant access to the places where the Goods are produced, or stored, and shall contribute to the desired inspections, checks, and tests, and will provide, at his expense, the necessary documentation and information. The Contractor shall, if necessary, inform the Client in advance of the time of the inspection, check and/or test. The Contractor is authorized to be present at the tests and/or inspections.

24.2 If any inadequacies are found on the Goods, with regard to the materials, or the skilled manufacturing (including goods damaged due to inadequate packaging by or due to the Contractor), or are otherwise not in strict conformity with the requirements of the Agreement, including drawings and specifications and, by the Client approved, samples, the Client will have the authority – in addition to any right conferred by the Contractor's warranty obligation or under common law – to:

- a. Send back the rejected Goods at the expense of the Contractor, in which case the Client, without further costs, is entitled to a replacement and a re-delivery within the determined time limit for delivery;
- b. Keep the rejected Goods and use them with an equitable reduction of the purchase price, which the Contractor is obliged to do.
- c. In case of urgent matters to repair the rejected Goods in the workshop of the Client or elsewhere, or by third parties at the expense of the Contractor; which – where possible – after an indicative price estimate have been provided to the Contractor.

24.3 If, during an inspection, test and/or check, before, during, or after the delivery the Goods are partially or completely rejected, the Client will report this to the Contractor in writing. If the Goods are rejected during or after the delivery the ownership and risk of the rejected goods will transfer to the Contractor at the date of the notification as referred to above. Storage and/or return costs of rejected Goods are at the expense of the Contractor.

24.4 If, after consultation with the Contractor one must reasonably assume that the Contractor cannot, or not in a timely manner, repair or replace, or take care of, or if after a second rejection the legitimate doubt is raised to what extent the Contractor is able to fulfil his obligations with respect to the quality and delivery, the Client will be entitled to terminate the Agreement with the Contractor with immediate effect, without further notice, and without any

further obligation on the side of the Client to compensate for the damages connected to the termination of the agreement. The Client has the right to take care of the repair or replacement himself or hire a third party at the expense of the Contractor.

25. Ownership of Goods

25.1 The ownership of the Goods is transferred to the Client at the moment of delivery. The Contractor cannot reserve any rights from the, to the Client, delivered Goods. In all cases the Client can continue to process such Goods and/or sell them insofar as this is usual in the ordinary course of business.

25.2 The Client is authorized to require that the transfer of the Goods and/or the materials and parts will take place at an earlier time. The Contractor will then mark the Goods and/or the materials and parts as recognizable property of the Client.

25.3 The ownership rights of Goods will be deemed to have already been passed to the employer as soon as the contractor has processed, manufactured or received these goods from third parties. The Contractor is obliged to administer these goods with due care, add a distinctive mark, and separately store and sufficiently insure them for the benefits of the Client.

25.4 Unless otherwise agreed upon in writing all the, by the Client provided, layouts, models, designs, molds, sketches, drawings, patterns, specifications, technical information, special application techniques, or any other data that has industrial or intellectual property rights of the Client, as well as any material or description provided by the Client to the Contractor and any replacement thereof, or any material belonging to the before mentioned data remain the property of the Client.

25.5 All Goods and/or data controlled by the Client, in the possession or control of the Contractor will, explicitly be marked by the Contractor as recognizable property of the Client, or otherwise adequately identified as property of the Client. The Contractor shall, with respect to the Goods and/or data indemnify the Client for loss, damages and exercise of rights by third parties. Goods and data, as referred to above, will properly be stored – separated from Goods and Data of the Contractor – and the Client may check the Contractor at all times to ensure he fulfills his obligations. The Contractor shall not mix or replace any Goods or Data with his own to ensure the fulfilment of the Agreement.

25.6 The Contractor will, at his expense, keep the Goods and Data of the Client, as long as they are under the care or control of the Contractor, in good condition. The Contractor shall bear the risk of loss, destruction, or damage of those Goods and Data and will insure them against the before mentioned risks at the replacement value. The insurance policy will have to include, that any compensation for damages due to loss or destruction, or damaged Goods or data will directly be transferred to the Client. The Contractor

shall, upon first request, provide a copy of the insurance policy and its conditions to the Client.

26. Availability Spare/Service Parts

26.1 The Contractor guarantees the availability of spare parts and service parts necessary for the repair and maintenance of the Goods under the Agreement at reasonable prices and a usual discount for at least 10 (ten) years after the final delivery or production date of the Goods under the Agreement, which of these options is the last.

26.2 If the Contractor cannot deliver the abovementioned parts within a week at reasonable prices and with the usual discount, the Contractor will, at first request, provide all drawings, tools etc., and ensure full cooperation so that the Client can have the specific parts manufactured by a third party at the expense of the Contractor.

27. Modifications

27.1 The Client has the right to alter the size and/or quantity of the, to be delivered, Goods, by means of a supplementary Agreement. The Client also has the right to modify the drawings, models, instructions, specifications, and such with regard to the, to be delivered, Goods.

27.2 If the abovementioned cases result in an increase or reduction of the agreed upon fixed price as mentioned in the Agreement, or change the time period, a fair estimation of the reimbursement can occur.

27.3 A claim by the Contractor made to increase the compensation as referred to above, or extend the delivery period, can only occur after a written request has been sent within 7 (seven) days after the supplementary Agreement has been sent to the Contractor.

27.4 Without prejudice to the provisions of this article, the Contractor is obliged to comply with his obligations arising from the revised Agreement without any delay or extensions.

28. Safeguard Clauses

28.1 The Contractor shall, with respect to the Goods and/or services under the Agreement protect and indemnify the Client and its clients/customers against the judicial and extrajudicial costs and/or other damages arising from:

a. Infringements of patents, trademark rights or copyrights in the use or sale of Goods under the Agreement, unless such violation results from the used materials or Goods which are specifically manufactured based on the design or method of the Client;

b. The non-compliance by the Contractor of the legal obligations and of the government given regulations concerning the manner of applying and processing the materials and/or certain Goods, as well as those with respect to the used labor in fulfilment of the Contractor's obligations. The Contractor hereby declares to comply with the legal obligations and rules; and

c. All claims and convictions with respect to the reimbursement of company damages or personal injuries of

third parties caused by any default, negligence on the side of the Contractor, or the inadequacy of the used materials, Goods, designs or methods, as well as damages resulting from an established work or services rendered.

29. Guarantees

29.1 The Contractor guarantees that all Good delivered under the Agreement are of good quality, free from inadequacies in terms of the materials used, complete and suitable for the purpose for which they are intended, and comply with the legal requirements and government given regulations of the country of destination.

29.2 In addition, the Contractor guarantees that all delivered Goods and/or to be performed services comply with the agreement and are strictly in accordance with the specifications, drawings, and, where applicable, approved samples as drawn up by the Client.

29.3 When Goods have been ordered by the Client without specified specifications the Goods will be free from defects in the design, and have the desired characteristics for the usual expected target, to which Goods can be used and meet the highest legal requirements including environmental legislation, and other governmental regulations, as well as the highest requirements of the, in the industry, applied safety and quality standards, as they apply at the time of delivery.

29.4 All deficiencies and imperfections, which occur during the warranty period, with the exception of those that are the result of the normal wear and tear or abnormal use will – without prejudice to the other rights to damages and interest – be free of charge and, after the first notification on the side of the Client, immediately and fully repaired by the Contractor.

29.5 If, after the notification as referred to above, the Contractor has not started the repairs within a, for the Client, reasonable time period, the Client is authorized to have a third party carry out the work at the expense and risk of the Contractor without further consequences for the, by the Contractor accepted warranty obligations.

29.6 Unless otherwise written down in the Agreement the warranty period will be 24 (twenty-four) months starting on the date of accepting an agreed upon acceptance test, the date of the final commissioning, or the date on which the defective Goods have been replaced and/or repaired, which of these options is the last. A guaranteed execution must be demonstrated by the Contractor as soon as possible, but within 24 (twenty-four) months after the date of commissioning.

30. Extended Functioning Safeguard and Guarantee Clauses

The Contractor's obligations under the Clauses 25 and 26 will – without prejudice arising from the provisions of the general law – entered into by the Contractor and the Client, as well as relations of the Client and the users of the delivered goods.

Section C: PROVISIONS WITH RESPECT TO THE PROVIDING OF SERVICES/ ADOPTION OF WORK

The provisions in this section apply to all the agreements of the Client where services are provided, or work is executed, for instance, but not exclusively by means of an assignment, acceptance of work, or otherwise, unless a written agreement shall have specified otherwise.

31. Commencement and Completion of the Work, Work plan, Obligations of the Contractor

31.1 The Contractor will begin his work on the date and time as specified in the Agreement. If the Agreement does not include a specific date and/or time on which the Contractor will commence his work, the Client will determine this date. Execution and progress of the work will be carried out in consultation with and under the instructions of the project manager/leader or the Client's developer.

31.2 The Contractor is obliged to follow instructions given by the Client.

31.3 If the Contractor knows or suspects that he will not, not in time, or not completely be able to fulfil his obligations as specified in the Agreement, he is obliged to immediately report this to the Client with a statement of reasons.

31.4 The Contractor is responsible for disposing the packaging materials at his own expense and risk.

31.5 If the speed of construction or a modified sequence of the work to be carried out, makes a change of the work plan desirable, the Contractor is obliged to fulfil his obligations under the agreement based on the modified work plan, without this leading to any claim to additional payments, an increase in costs or compensation.

31.6 In the event of a default on the side of the Contractor, as the result of a delay that is attributable to the contractor, the Contractor will be liable for the damages caused by the Contractor, or for fines imposed on the Client. The Contractor will indemnify the Client of claims of third parties, including the legal costs.

31.7 All packaging will remain the property of the Contractor at the delivery. The Contractor needs to take his (environmentally harming) packaging materials, and/or chemical waste back free of charge, in order to hand them over in a verifiable environmentally friendly way for processing in accordance with the environmental legislation. The Contractor will, at request of the Client, submit a statement in which is stated that the waste was accepted by a bona fide processor.

32. Transfer to Third Parties

32.1 The Contractor is not allowed to enable a third party/subcontractor to partially, or in whole, carry out the work as given by the Client to the Contractor without the written consent of the Client. The Client can attach conditions to his permission.

32.2 Without prejudice to the foregoing the Contractor is not released from his obligations as specified in the agreement, and will remain responsible and liable at all times for the impeccable fulfilment of the Agreement by a third party/subcontractor.

32.3 In the event of implementation by third parties, to which no consent has been given by the Client, or which do not comply with the conditions laid down by the Client, the Client is entitled to terminate the agreement with immediate effect and without judicial intervention, without prejudice to the Client's right to recover the damage in full.

32.4 Without prejudice to the foregoing provisions, the Contractor is not entitled to transfer his rights and obligations arising from the agreement(s) with the Client, to third parties without the prior written consent of the Client.

32.5 The Contractor will ensure the Client that, all payments that the Client needs to make to third parties hired by the Contractor or his subcontractor(s) with respect to the work, are met. If desired the Client is authorized to have the Contractor inform him in writing before paying the Contractor. In the event of a breach of this obligation the Client is furthermore entitled, after a written warning, to make payments on behalf of the Contractor and deduct these payments with the Contractor, of which the Client will inform the Contractor in writing.

33. Additional and Less Work

33.1 The Client will only be liable for the compensation or payment of additional work, if this work is entrusted to Contractor and confirmed in writing. Additional work can only be executed after approval by, and after a written consent has been given by, the Client. Work carried out and/or deliveries that haven't been met by an approval and written consent, will not qualify for payments. An oral command is not seen as additional and/or less work to be carried out, so that such work shall be deemed to fall under the scope of the main assignment.

33.2 Activities that must reasonably be regarded as forming part of the work, in order to be able to hand over the work in accordance with the nature and intention of the order and in accordance with the requirements as laid down for sound work, may not be regarded as contract extras or additional work.

33.3 The Contractor is not entitled to payments for the additional work if the Client will not be paid for this work by his Client.

33.4 Additional work will, without prejudice to the foregoing provisions, be settled upon delivery of the main assignment. Less work is, without prejudice to the foregoing provisions, deducted as soon as it is not demonstrable or executed.

33.5 Additional and less work will be deducted based on the, in the main assignment, specified rates and prices, to be demonstrated by means of an open budget of the main assignment.

33.6 Execution will, unless agreed upon otherwise, always take place under the conditions of the main assignment.

33.7 The quantity of the used materials, delivered Goods, or work spent, is not deductible or will, in principle, not lead to an additional fee. The Contractor shall, without an increase in the originally agreed upon price, provide as much or as less work as is required.

34 Materials; Equipment; Tools; Quality

34.1 If, and insofar as there is a need for materials for the work, which should be provided for by the Client, these materials will be delivered by the Contractor on demand. The care for these materials is at the expense and risk of the Contractor. The Contractor must ensure the correct receipt, storage, and transport of the materials at the work, and take care of any return deliveries.

34.2 The Contractor will take care of all the required equipment, such as scaffolding, cherry pickers etc., at his own expense and risk. All the transport of materials and equipment are at the expense and risk of the Contractor.

34.3 If, for the work carried out by the Contractor materials and/or tools are used that were provided by the Client, these will, after completing the Agreement, and on first request of the Client, immediately be returned in the same condition in which they were delivered.

34.4 The Contractor is responsible for the correct receipt, storage, and transport of the provided materials, tools, and equipment.

34.5 The Contractor is liable for damages caused or loss of the materials, equipment, or tools, as referred to in this article.

34.6 The Contractor is obliged to help clean the construction site, and remove the, as a result of his work, caused pollutions and released packaging materials.

34.7 The Client, or the by the Client designated individuals or entities are authorized to inspect all goods and check the place of manufacturing of the Contractor, or the place of destination, or all said places without further costs for the Client. The Contractor shall grant access to the places where the Goods are produced, or stored, and shall contribute to the desired inspections, checks, and tests, and will provide, at his expense, the necessary documentation and information. The Contractor shall, if necessary, inform the Client in advance of the time of the inspection, check and/or test. The Contractor is authorized to be present at the tests and/or inspections.

34.8 If any inadequacies are found on the Goods, with regard to the materials, or the skilled manufacturing (including goods damaged due to inadequate packaging by or due to the Contractor), or are otherwise not in strict conformity with the requirements of the Agreement, including drawings and specifications and, by the Client approved, samples, the Client will have the authority – in addition to any right conferred by the Contractor's warranty obligation or under common law – to:

a. Send back the rejected Goods at the expense of the Contractor, in which case the Client, without further costs, is

entitled to a replacement and a re-delivery within the determined time limit for delivery;

b. Keep the rejected Goods and use them with an equitable reduction of the purchase price, which the Contractor is obliged to do.

c. In case of urgent matters to repair the rejected Goods in the workshop of the Client or elsewhere, or by third parties at the expense of the Contractor; which – where possible – after an indicative price estimate have been provided to the Contractor.

34.9 If, during an inspection, test and/or check, before, during, or after the delivery the Goods are partially or completely rejected, the Client will report this to the Contractor in writing. If the Goods are rejected during or after the delivery the ownership and risk of the rejected goods will transfer to the Contractor at the date of the notification as referred to above. Storage and/or return costs of rejected Goods are at the expense of the Contractor.

34.10 If, after consulting with the Contractor one must reasonably assume that the Contractor cannot, or not in a timely manner, repair or replace, or take care of, or after a second rejection the legitimate doubt is raised to what extent the Contractor is able to fulfil his obligations with respect to the quality and delivery, the Client will be entitled to terminate the Agreement with the Contractor with immediate effect, without further notice, and without any further obligation on the side of the Client to compensate for the damages connected to the termination of the agreement. The Client has the right to take care of the repair or replacement himself or hire a third party at the expense of the Contractor.

35. Completion

35.1 The Contractor shall execute the work based on the requirement in accordance with the provisions of the agreement.

35.2 Completion of the work carried out by the Contractor will occur, unless otherwise agreed, on the date as determined by the Client, and according to the Client's work plan.

35.3 The work will be considered complete when the Client has, after inspection, approved the work in writing, when any remaining issues or defects have been restored to the satisfaction of the Client, and when the Client of the Client has declared that the work carried out by the Contractor can be considered complete. Approval and/or payments will not release the Contractor of warranty obligations or liability. If the work is not approved the Client will report this to the Contractor with a list of reasons.

35.4 The Contractor will, in the event of a rejection, at the request of the Client, first begin the repairs or replace whatever has been rejected, without being entitled to any additional compensation, and without prejudice to the right of the Client to be compensated for the damages suffered.

In the event of a rejection the Contractor will have the right to suspend the payment obligations towards the Client.

36. Maintenance

36.1 If the maintenance period is not included in the agreement, this will be one year after completing the work. Unless otherwise agreed in writing the maintenance period will not end before the maintenance period, which applies between Client and its Client, has ended.

36.2 The Contractor will repair any deficiencies found during the maintenance period, at the first request of the Client, free of charge and as soon as possible.

36.3 If the Contractor refuses, after having received a summation, to repair any deficiencies found during the maintenance period as soon as possible, the Client is authorized to do the work himself or have it carried out by a third party, after which the Contractor will be obliged to pay all the expenses made in full.

37. Sequential Liability Act

37.1 The Contractor is obliged to cooperate in the establishment and safeguarding of the collection of taxes, premiums, and social charges related to the work, and will ensure that for all the, at the work site present, workers all legal obligations, including the obligation to pay social insurance contributions and wage taxes, will be met. The Contractor shall indemnify the Client for claims from third parties. The Contractor's obligations shall include:

- a. Owning and showing the Client his Commercial Register, G-account agreement, as well as providing his VAT number, and the number of his establishment permit, insofar as this is required for his company;
- b. Submitting a daily statement, at the request of the Client, containing the names of all the employees who work directly for him, and their identity documents;
- c. On a weekly basis submitting a register based on the work entrusted to him. This register should include the names of all the employees hired by the Contractor, in addition to the working hours;
- d. Strictly complying to all his obligations towards the workers hired by him;
- e. Once every three months, or as often as the Client requests, provide a recent statement released by the Dutch Tax Administration, concerning the payment behavior of the Contractor with regards to his wage tax payments and national insurance contributions;
- f. Strictly adhering to all that the Contractor is obliged to adhere to according to the law and as agreed upon in the Agreement with the Client;
- g. The Contractor shall fully indemnify the Client against any liability the Client has to his Client and/or third parties due to the Contractor's failure in fulfilling his obligations under the agreement, or under the law;
- h. Showing the membership certificate, at request of the Client, of a trade or business organization he is a member of,

in addition to submitting his registration number of a mutual insurance company if he is a member.

37.2 The payments made by the Client to the Contractor will also be carried out under the condition that prior to the employment of workers:

a. The Client is informed of the workers from Non-EU countries, who will be specified by names, date of birth, and a presentation of evidence that determines that the national insurance contributions of these workers, for the duration of the work, is paid in the relevant other non-EU countries; and

b. The Client is informed when workers from EU-countries other than the Netherlands are hired, who will be specified by names, and date of birth, and a presentation of evidence (such as an E 101-form) that determines that the national insurance contributions of these workers, for the duration of the work, is paid in the relevant other EU countries.

37.3 The Client shall have the right at all times to pay the premiums under the social security laws and of the wages and salaries tax within the meaning of the Sequential Liability Act (The G-account), to the G-account of the contractor. The Client is either able to deduct from the price or pay the amounts in respect of the premiums under the social security laws and of the wages and salaries tax on behalf of the Contractor directly to the Employee Insurance Agency concerned or the Tax Administration. The Client shall, in such a case, be discharged from his obligations towards the contractor by such payment, insofar as these amounts are involved.

37.4 If the Contractor is a member of the Company Registration Association (VRO) and/or can produce a statement given by the Foundation of Financial Assessment (SFT Declaration), the Client will transfer 40% of the wages to the G-account. If those two conditions cannot/or will not be fulfilled 50% of the wages will be paid to the recipient of the direct taxes.

37.5 If the Client can reasonably come to the conclusion that the Contractor will owe a larger sum in the social security laws, the wage taxes, and national insurance contributions, based on the work assigned to him, than the percentage which has been included in the Agreement, the Client can change this percentage.