

## **GENERAL TERMS AND CONDITIONS**

of the private limited liability company **Technotex Industrial Supply BV.** which has its registered office in Coevorden, the Netherlands, registered at the Chamber of Commerce Meppel under registration-number 31045482.

### **Article 1 - Applicability**

1. Unless otherwise agreed in writing, these General Terms and Conditions shall be applicable to all our offers and agreements as well as to any contracts ensuing from them.
2. Our General Terms and Conditions shall be deemed accepted by our contract party upon its acceptance of the goods supplied by us, unless we and the contract party have explicitly agreed in writing that our General Terms and Conditions shall not be applicable.
3. Wherever applicable, the term "contract party" shall in these General Terms and Conditions be understood to include the party that requested us to submit a tender or quotation.

### **Article 2 - Offers**

1. All our tenders and quotations shall be free of engagement, unless explicitly agreed otherwise in writing.
2. Our tenders and quotations shall be based on data supplied by the contract party, such as conditions of use, technical specifications, application and the circumstances under which it is to take place, etc. The contract party shall undertake to provide us with full, detailed information in respect of the above points. This obligation to provide information shall also include the obligation to indicate any data that the contract party does not know.
3. All our tenders and quotations shall remain valid for 6 weeks.
4. Should we incur any costs as a result of our submitting tenders, preparing quotations or providing advice, we shall be entitled, in the event that no agreement is concluded, to charge such costs to the party requesting us to undertake such activities.

### **Article 3 - Inception of the Agreement**

1. No agreement shall be considered to have been concluded until such time as we have confirmed the order in writing or until the moment the contract party has accepted the goods delivered by us pursuant to its order. The order confirmation or, as the case may be, acceptance of delivery shall be considered conclusive.
2. The date on which we sent our order confirmation or delivered the goods shall be regarded as the date of inception of the agreement.
3. We reserve the right to request the contract party to provide a written acknowledgement. We shall not be required to commence performance of the agreement until we have received said acknowledgement.

### **Article 4 - The Agreement**

1. The agreement shall at all times be restricted to that which has been specified in the order confirmation or has been delivered by us.
2. If no order confirmation is sent, the invoice(s) shall be regarded as the agreement.
3. Any supplementary terms or alterations agreed on at a later date shall only be effective if confirmed by us in writing and if the contract party has raised no objections thereto in writing within 5 working days.
4. Arrangements or agreements with subordinate staff members shall not be binding upon us, as long as we have not confirmed the same in writing. Subordinate staff shall be understood to mean all employees without power of attorney.
5. We shall be authorized to charge any price alterations over and above that which has been provided in the agreement, if:
  - ÿ the official government requirements our products have to meet are modified to such an extent as to necessitate alteration of the products themselves or their composition;
  - ÿ after 8 weeks following inception of the agreement, the prices of base materials should have risen, or wage costs or any other operating expenses should have gone up due to government measures.

In this paragraph, government shall be understood to mean any public body, be it national or international.

## **Article 5 - Delivery**

1. Our terms of delivery shall be approximate and shall be subject to unimpeded progress of activities and punctual supply of materials and services, including goods to be supplied by the contract party.
2. Unless explicitly agreed otherwise in writing, exceeding the term of delivery shall under no circumstance, not even after serving notice of default, entitle the contract party or any third parties to any damages. The contract party shall hold us harmless against any claims for damages brought against us by third parties.
3. Our exceeding the term of delivery shall not release the contract party from its obligations ensuing from the agreement. If the goods have not been accepted by the contract party after the term of delivery has expired, the goods shall be stored at the contract party's disposal, expense and risk.
4. We shall be entitled to deliver 10% more or less than the quantities ordered by the contract party and draw up invoices accordingly.
5. We shall be entitled to deliver the order either in whole or in successive parts, if such a delivery procedure should be necessary or more practical for reasons of business operation.
6. If the agreed date of delivery is postponed by the contract party or if the contract party cancels the order, the contract party shall be liable for any and all costs resulting from that.
7. Deliveries shall be free domicile, unless otherwise agreed, provided that the deliveries represent a value of more than € 450 (inside the Netherlands) or € 2.250 (outside the Netherlands). The price of the latter deliveries shall be increased by a surcharge for freight and order costs.

## **Article 6 - Product Specifications/Tests**

1. Technical specifications supplied by us for products delivered by us shall be based in part on the information provided by the contract party as referred to in Article 2 of these General Terms and Conditions. We shall not accept any liability for incorrect or incomplete information provided by the contract party. If such information should indeed prove incorrect or incomplete, any warranties issued by us shall automatically be cancelled.
2. Save as otherwise agreed, the contract party shall undertake to test or see to the testing of all products supplied by us. Such tests shall involve finished products installed under conditions of use resembling those of the expected practical situation. The provisions in respect of liabilities and warranties as set out in the preceding paragraph of this article shall apply *mutatis mutandis* should the contract party omit said tests.
3. We shall not accept any liability for the results of processing or handling of any products supplied by us, if such products have been processed or handled without due regard to our specifications or if production methods have been used of which the contract party has failed to inform us. In such cases, said specifications shall lose their validity.
4. The goods to be supplied by us shall be delivered subject to the customary tolerances in respect of colours and variations in failure/width/dimensions (+/- 5%). We shall not be liable for any technically unavoidable discrepancies in colour and quality. Specifications regarding these aspects shall only be approximate and shall not be binding upon us, unless explicitly agreed in writing. Minor discrepancies shall under no circumstance entitle the contract party to claim damages.

## **Article 7 - Warranties**

1. If we have included any warranty clauses in the agreement, such warranty shall at all times be restricted to the repair or replacement, at our discretion, of the products supplied by us. In the event of warranty extension, the present terms and conditions shall apply *mutatis mutandis*.

2. All claims under any warranty shall become void in the event of:
  - installation and processing errors;
  - loss of quality subsequent to processing of the product supplied;
  - alterations of the products;
  - removal or illegibility of any affixed labels;
  - incomplete or incorrect information as referred to in Article 6 of these General Terms and Conditions;
  - improper use or lack of due diligence on the part of the contract party, or exposure to such external factors as the effect of moisture, vapour, acids and other agents;
  - gross negligence or wilful intent on the part of the contract party;
  - any and all cases in which we cannot reasonably be expected to provide any warranty.
  
3. The contract party shall undertake to lend full cooperation to any inspection we may deem necessary in connection with our warranty obligations. In this respect, full cooperation shall also be understood to include granting us access to all reports on the case in question as may have been drawn up by any body whatsoever. The costs of such an inspection shall be borne by the contract party if it should become apparent that claims have been wrongfully made under the warranty.

### **Article 8 - Liabilities**

1. Our liability shall at all times be limited to our warranty obligations as specified in these General Terms and Conditions. Cancellation of our warranty obligations as referred to in the preceding article shall include cancellation of our liability for any direct or indirect damage suffered by the contract party or third parties. The contract party shall indemnify us against any corresponding claims.
  
2. Nor shall we assume liability for any direct or indirect damage suffered by the contract party and/or third parties caused by infringement of any third-party copyrights/patent rights or design rights, or resulting from the operation or non-operation of products supplied by us. The contract party shall indemnify us against any corresponding claims.
  
3. Barring gross negligence and wilful intent, we shall never be liable for any damage whatsoever to products, goods, packaging materials or persons caused by any of our staff or by any third parties called in by us for the purpose of fulfilling the agreement.

4. If the contract party should so desire, we shall take out insurance against risks ensuing from statutory regulations in respect of product liability. The costs of such insurance shall be borne by the contract party. If the latter does not deem it necessary for us to take out product liability insurance, the contract party shall undertake to indemnify us against any corresponding claims.

## **Article 9 - Complaints**

1. Any complaints in respect of either product deliveries or invoice amounts must be filed with us in writing within 8 days after delivery or shipping, as the case may be, accurately stating the facts and the circumstances to which the complaint relates.
2. We shall only be required to take cognizance of duly lodged complaints as referred to in this article if they have been filed in time and if the contract party has at that point complied with all its existing obligations towards us. If complaints are not punctually filed pursuant to the provisions of this article, our warranty obligations and our liability shall be cancelled.
3. If, in our judgement, a complaint in respect of a certain delivery is justifiably filed, we shall not proceed to replace the product supplied until the contract party has returned the unsound product to us.
4. The contract party shall not be entitled to suspend compliance with its obligations under the agreement concluded with us, or under any other agreement concluded with us, on account of the fact that a complaint has been lodged. If part of a delivery should be found defective, this shall constitute no ground for rejecting the entire delivery.
5. The contract party shall not be permitted to return any products delivered in whole or in part without prior written approval.

## **Article 10 - Force Majeure**

1. If, after conclusion of the agreement, compliance therewith should prove impossible due to circumstances of which we were not cognizant, nor needed to be, at the time of our entering into the agreement, or due to circumstances beyond our control (force majeure), we shall have the right to propose to the contract party to either alter the agreement to such an extent that performance thereof is rendered possible, or postpone performance for a maximum period of 4 months, or consider the agreement dissolved. Any increase in or reduction of costs on our side resulting from alteration of the order agreement shall be settled with the contract party.
2. Force majeure shall in any case include: war, threat of war, general or partial mobilization, (trade) barriers, import and export prohibitions, changes in the rate of exchange of currency in which payment was to be effected, complete or partial seizure or requisition of our property, whether located at our premises or at our suppliers', by civil or military authorities, fire or storm damage, floods, strikes, lockouts, boycotts by our suppliers, epidemics, illnesses of staff members and other circumstances which render it impossible, in all fairness, for us to comply with the agreement.
3. If we suspend (continued) performance or dissolve the agreement due to force majeure, the contract party shall owe us a proportional part of the price to be paid. The amount in question shall then be exigible.
4. If delivery should have to be postponed due to force majeure for more than 4 months after the agreed delivery date, the contract party shall be entitled to terminate the agreement. In observance of the provisions of the preceding paragraph of this article, the client shall not owe any expenses or damages as a result of such termination. If the contract party refrains from terminating the agreement, we shall be entitled to pass on any extra costs on the basis of subsequent costing.

## **Article 11 - Payment**

1. For each delivery made by us to the contract party, we shall send an invoice which is to be settled within 14 days after dispatch, unless otherwise agreed.
2. We shall have the right to request an advance payment upon entering into the agreement.
3. Invoices shall not be subject to discounts or set-offs.

4. In the event of non-payment, we shall be entitled to suspend or cancel performance of the agreement without being obligated to pay any damages or provide any other compensation.
5. The entire amount owed by the contract party by virtue of the agreement concluded with us shall be payable on demand if the contract party should:
  - exceed the term of payment;
  - go bankrupt;
  - apply for a moratorium;
  - be placed under legal restraint;
  - decease;
  - be liquidated;
  - have any of its property or debts seized in any way.
6. If our invoice is not settled pursuant to paragraph 1 of this article, we shall be entitled to increase our claim by an interest totalling 2% a month, with any part of a month counting as a whole month, without being required to send the contract party any further reminders or notices of default.
7. If the contract party fails to pay after receiving a dun by registered post, we shall moreover be entitled to increase the amount owed by collection charges, legal costs and any other expenses incurred in respect of debt collection, including the costs of legal counsel. Extrajudicial costs are hereby established to amount to at least 20% of the total exigible sum, including interest, with a minimum of € 225. The costs of legal counsel shall be calculated on the basis of the applicable rate of the Netherlands Bar charged by the attorney-at-law whose services we enlist.
8. The filing of complaints in respect of performance of the agreement shall not release the contract party from its obligation to effect punctual payment of amounts owed. Nor shall the client be released from its payment obligation by circumstances impeding the use of goods supplied or work performed by us.
9. Any and all payments made by the contract party shall serve to settle the longest outstanding invoice, unless otherwise agreed in writing.

## **Article 12 - Securities**

1. As long as the contract party fails to fully comply with all its financial obligations arising from any agreement concluded with us, we shall at all times retain the title to all goods sold, irrespective of their condition, to a value of 125% of the amounts owed by the contract party.
2. The contract party shall undertake to inform any third party of our reservation of title in the case of its reselling any goods delivered by us. The contract party shall neither pledge the goods nor relinquish control of them for use as collateral. The contract party shall further undertake to notify us forthwith in the event of a petition in bankruptcy or an application for a moratorium, in the event the goods are seized or in the event of any other occurrence which might be harmful to our interests.
3. If our title to the goods as referred to in this article should be voided for reasons other than through settlement, the contract party shall forfeit a fine payable on demand totalling 5 times the outstanding amount, including interest and expenses, as a result of the relevant delivery or deliveries.
4. If the contract party fails to comply with any obligation arising from any agreement concluded with us, we shall be entitled to repossess the goods without notice of default being required. The contract party or, as the case may be, the keeper of the goods shall undertake, at our first request, to inform us where the goods are located and enable us to repossess them. None of this shall prejudice the contract party's obligation to pay in full everything it owes us.

## **Article 13 - Dissolution**

1. If a contract party fails to comply with any obligation towards us, the simple fact of our giving notice of termination shall suffice to terminate the agreement, without legal intervention being required and without prejudice to our right to claim compensation for damage, loss of profit and any other expenses incurred by us.

2. We shall be entitled to dissolve the agreement without legal intervention by the simple fact of our giving notice of termination, without our having to pay any damages or other compensation, if our contract party should:
  - go bankrupt;
  - apply for a moratorium;
  - decease;
  - be placed under legal restraint, or be the subject of an application for being placed thereunder;
  - be liquidated or wound up;all of which shall be without prejudice to our right to claim compensation for damage, loss of profit and extrajudicial costs.

#### **Article 14 - Copyright/Design Right**

1. We reserve all copyrights and design rights to all models, drawings, designs, pictures, descriptions, etc. made by us. If models, drawings, designs, photographs and/or pictures, descriptions and manuals, etc. are made in respect of any advice, tenders or quotations issued by us, the former shall remain our property at all times, regardless of whether the order is granted to us or whether an agreement is concluded.
2. Neither the contract party nor any other party requesting us to provide advice, submit a tender or prepare a quotation shall be permitted to reproduce any models, drawings, designs, photographs and/or pictures, descriptions and manuals, etc. made or supplied by us, nor shall any such party provide the same to third parties for their perusal, nor use the same for private purposes, nor make the same available for use by third parties, nor infringe upon our pertinent rights in any other way. Each violation of the provisions of this article shall require the contract party or the party requesting us to provide advice, submit a tender or prepare a quotation to pay us a fine payable on demand of € 450.000, while the party responsible shall forfeit a further fine payable on demand of € 45.000 for each day the violation continues. None of this shall prejudice our right to claim damages.
3. The contract party or the party requesting us to provide advice, submit a tender or prepare a quotation shall undertake to return the models, drawings, designs, photographs and/or pictures, descriptions and manuals, etc. we have made available to them within a term to be established by us. The contract party or the party requesting us to provide advice, submit a tender or prepare a quotation shall forfeit a fine payable on demand of € 450 for each day the party responsible fails to comply with the provisions set forth in this article.

### **Article 15 - Patent Rights**

1. We reserve all patent rights to all our patented products and application methods, including any manufacturing rights obtained by us by virtue of patents granted to third parties.
2. For each instance of infringement of any of our patent rights by the contract party or the party requesting us to provide advice, submit a tender or prepare a quotation, the party responsible shall forfeit a fine payable on demand of € 900.000, while the same shall forfeit a further fine payable on demand of € 90.000 for each day the infringement continues. None of this shall prejudice our right to claim damages.
3. If a third party infringes upon our patent rights as a result of gross negligence or wilful intent on the part of the contract party or the party requesting us to provide advice, submit a tender or prepare a quotation, the latter shall also be liable under paragraphs 1 and 2 of this article, none of which shall prejudice our right to claim compensation from third parties.

### **Article 16 - Final Provisions**

1. Any and all offers, contracts and their performance shall be governed by the law of the Netherlands.
2. Any and all disputes arising between the contract party and ourselves, including disputes concerning the interpretation of these General Terms and Conditions and the collection of outstanding debts, shall in the first instance be brought before the competent court in the subdistrict or district in which we have our registered office, unless we should prefer to act according to the customary rules of competence or any applicable conventions.
3. For the performance of this agreement, the contract party shall irrevocably elect domicile at its residential or business address at the time of dispatch of our order confirmation.