

# GENERAL TERMS AND SALES CONDITIONS

of the private company with limited liability PERMACOL B.V. with registered office in Ede – filed in Dutch at the Chamber of Commerce in Arnhem under no. 09040364

- 1. General**
  - 1.1 These terms and conditions are part of all of Permacol B.V. (supplier) quotations and contracts, both in respect of the delivery of products and the performance of work.
  - 1.2 Supplementary and/or different conditions of a buyer or third parties, which also include any terms and conditions of purchase, shall not be binding, unless they have been accepted by Permacol B.V. (supplier) in writing.
  - 1.3 In the event of conflicts between these terms and conditions of supplier and those of any customer (buyer) and/or third party, the terms and conditions of supplier shall take precedence.
- 2. Offer and contract**
  - 2.1 All offers, including illustrations, drawings, stated capacities, diagrams, price lists, material lists and other documents, shall be without obligation, unless these contain a term for acceptance.
  - 2.2 In the event that a quotation without obligation is accepted by the buyer, supplier will be entitled to withdraw this offer within two working days after receipt of this acceptance. All mentioned illustrations, drawings, diagrams and other documents remain our property and need to be returned to us; they may not be copied or handed over to Third party without our explicit or paper consent, such on penalty of a directly claimable fine of € 10.000,00 (in words ten thousand Euro) per contravention. Furthermore, we preserve all intellectual and industrial ownership of all existing legal rights.
  - 2.3 Descriptions in offers shall be as accurate as possible, but shall not be binding on supplier. We reserve the right of technical changes.
  - 2.4 Supplier is entitled to charge costs made in order to quote products or performance of labour, even if it does not result in a purchase order or agreement.
- 3. Prices**
  - 3.1 Prices stated on order acknowledgment refer to product and amount of the delivery. Additional or special performance shall be calculated separately.
  - 3.2 The prices quoted by supplier are based on delivery ex works, warehouse or storage at another location and exclude VAT and the costs of packaging and shipping.
  - 3.3 We reserve the right to invoice all increased costs even if they arise after date of agreement, but before the delivery date. Furthermore we are entitled to undo the agreement partially or entirely, without judicial interference. The same entitlement has the buyer, but only if we take the position within 3 months after the agreement that through changed costs a raise of confirmed prices arises. If the buyer uses this right, we have to be notified by registered letter within 5 days after receive of the announcement.
- 4. Delivery and delivery time**
  - 4.1 Delivery time starts the day that the agreement is closed, provided that all information we need to execute the order are in our possession. The delivery time stated by us shall never be considered to be deadlines, unless explicitly agreed otherwise. Delivery time will extend with the amount of time during which the buyer has not fulfilled payment obligations. If delivery is not made in time we have to be notified in writing. In case of, in contravention with the above, the agreement includes a penalty on exceeding the delivery time, it is not indebted if the overstay is caused by cases of superior forces as mentioned in article 5 of these General Terms.
  - 4.2 We are entitled to execute partial delivery, this in the sense that delivery toward the buyer takes place when goods are ready. In that case we are entitled to invoice delivered goods to the buyer.
  - 4.3 Buyer has to take the product within the agreed time. If buyer fails, based on Article 6:60 Civil Law, we are entitled to claim that the a judge releases us from the agreement, than without preceding notification, demand payment of undelivered goods. If buyer does not meet his obligation of payment, we are entitled to dissolve the agreement without judicial intervention.
  - 4.4 If buyer fails to accept the goods at the agreed time span and we are claiming the purchase-money, the goods are respected as to be delivered, but will be stored for 30 days on account and risk of the buyer and his cost; after that may sell and deliver the goods to a third party without any claim for goods, compensation or restitution for the buyer.
  - 4.5 If no time span has been agreed on, we are entitled to act as mentioned in this article, if buyer does not accept the goods in between 1 month after readiness has been communicated.
  - 4.6 Delivery shall take place ex warehouse. Shipments with goods value of at least € 750,00 shall be delivered carriage paid to the address indicated by the buyer within the Netherlands. Costs for shipments / deliveries abroad will always be passed on to the buyer, unless agreed otherwise.
  - 4.7 In the event of shipments with goods value less than € 750,00 the costs of freight and / or postage shall be charged to the buyer. Purchase orders with goods value less than € 250,00 will be charged with an additional administration fee. Shipping costs of any nature whatsoever incurred at the request of the buyer shall be charged.
  - 4.8 The products to be supplied will be shipped at the risk of the buyer. Supplier chooses the method of transport. The products to be transported on behalf of the buyer shall not be insured by supplier, unless expressly required by buyer; in that case the buyer will be charged for the costs.
  - 4.9 If a part of an order is not at stock, then the second part of this order will be invoiced after delivery. However, if the first shipments covers more than 50% of the order, the whole order will be invoiced.
  - 4.10 If products have to be ordered by third party, on request of the buyer, they may be charged at the time of the order. Products, which cannot be supplied from stock, shall be delivered in consultation with the buyer.
  - 4.11 Partial shipment like deliveries on call, each delivery shall be considered as a separate delivery.
  - 4.12 If the buyer fails to call a call-order on time, supplier will be entitled to demand immediate and advance payment for all goods still to be delivered to cancel the order for the goods not yet delivered. At the same time supplier is entitled to charge warehousing costs, dependent of volume.
- 5. Circumstances beyond our control**
  - 5.1 Circumstances beyond one's control mean all circumstances beyond our control which makes it impossible for us to perform the contract as agreed (so called not responsible shortcoming of fulfillment).
  - 5.2 Circumstances beyond our control also includes: war, riots and hostilities of any kind, blockades, embargos, strikes, catastrophes, epidemics, shortage of raw materials, hindrance and interruption of transportation, intrusion in our company or the company of a supplier, import- and export restrictions caused by measures, laws of decisions of international, national or regional governmental authorities.
  - 5.3 If circumstances beyond our control prevent us from (in-time) delivery, we are entitled to either fulfill the agreement at another date or to consider the agreement to be dissolved.
  - 5.4 In cases of circumstances beyond our control we cannot be hold responsible for compensation by the buyer.
- 6. Right of retention**
  - 6.1 Supplier has the right of retention on all goods of the buyer held by us if the buyer has not paid in time for goods supplied or work performed by supplier, whether this relates to the goods concerned or not.
- 7. Reservation of title**
  - 7.1 Goods delivered by us, remain our property until the amount of the invoice has been paid completely. Delivery took place under suspension of terms of complete payment by the buyer. With complete payment, the ownership of the delivered goods will be passed to the buyer, legally.
  - 7.2 In case buyer processes or manufactures the product in a way that our ownership is lost, the buyer is obligated to place non-possessory pledge onto the goods in our behave.
- 7.3 Buyer is entitled to sell or use the goods as his conduct of business requirements; then he has to transfer the money or if not sold against money, pass the claim to us. Buyer is not entitled to alienate the goods in any way, to put them under bail or remove them from our influence.
  - 7.4 Buyer is obligated to inform us immediately about claims or attempts to get the goods, which are in our possession, by a third party. The buyer is obligated to do his best to protect our property or claims.
  - 7.5 If buyer does not fulfil his obligations or breaking lid 4 of this article, we are entitled, after notice of default, but without legal mediation demanded, to take back the goods which are by retention of title or otherwise still in our possession. Buyer has to indicate the place where the goods are stored, to identify them as our property and already grants us permission to enter the premises and buildings in order to get back the product.
  - 7.6 At all times we are entitled to seize goods which are at the buyer's but still belonging to us, as soon as we can assume with good reason that buyer will not meet his obligations. This does not influence the right which results from common law: in particular we reserve the right to appeal for damages after getting the product under our possession.
  - 7.7 Buyer is obliged to insure the risk of fire and theft of not yet paid goods and show us the documentation if requested.
- 8. Complaint**
  - 8.1 The buyer has to inform us in writing of any complaints about delivered goods or work performed within ten days of delivery and/or completion of the work. In the event that this term is exceeded, all claims against Supplier in respect of defects and/or errors will depose.
  - 8.2 In case of a complaint about delivered products which we consider to be well-founded, we are entitled to repair the goods concerned or to replace them with similar goods. We will not be liable to compensate for any loss or damage, except in case that loss or damage can be blamed on intent or gross negligence on our part.
  - 8.3 In case of a complaint about work performance which we consider to be well-founded, we are entitled to perform this work correctly within a reasonable term. We shall not be liable to compensate for any loss or damage, except if loss or damage can be blamed on intent or gross negligence on our part.
  - 8.4 The obligation to pay in respect of the products under dispute are not to be suspended by filling a complaint.
  - 8.5 Return of goods is not permitted without our prior permission. Goods which are going to be returned have to be in possession of Permacol in between 21 days after delivery at buyer's site, including return form and signed delivery form.
  - 8.6 If nature and/or composition of the delivered goods has been changed by the recipient, the goods have been processed, repacked or delivered wholly or in part in any form whatsoever, including so-called private labelling, all rights to claim shall lapse.
- 9. Liability**
  - 9.1 The products delivered by Supplier must be used and/or processed in accordance with the directions and/or the instructions for use, processing instructions, manuals, data sheets and prescribed and required instructions for specific applications required by the buyer indicated on or in the packaging.
  - 9.2 Supplier cannot be held liable by the buyer(s) and/or the buyer(s) of the buyer for damage suffered by this buyer(s) and/or this(these) buyer(s) regarding the condition, (side) effects and/or other shortcomings in the broadest sense, of goods produced by us and/or (end) products procured by us from third parties but delivered by us, unless the law expressly states that the manufacturer and/or supplier is liable in this respect.
  - 9.3 Any further liability for loss or damage other than referred to in this article shall be excluded, unless the buyer proves that the damage was caused by supplier's gross fault or negligence of the supplier.
  - 9.4 The information in documentation, data sheets and recommendations should be considered as guidelines based on research and experience on our part or based on data from third parties. The data published in our documentation sheets are solely issued as information and cannot be considered as a guarantee.
  - 9.5 Supplier shall not be liable for any loss or damage that results from mistakes or failures of third parties that have been charged by us with the delivery of materials or the performance of work with the permission of the buyer, unless we are liable by virtue or legal liability.
  - 9.6 The buyer is obliged to inspect the products. The buyer states that he received the goods, free of any defects, unless we are informed of defects in writing by the buyer within ten days after delivery. The buyer is deemed to be familiar with effect of the products and shall be obliged to instruct its users accordingly.
  - 9.7 Supplier will not be liable for any defects in products that could not have been detected on the basis of the scientific and technical knowledge at the time the products were put on the market.
- 10. Payment**
  - 10.1 Payment must be made within thirty days after the invoice date stating our invoice number and any other relevant information, without any discount. Offsetting is not permitted.
  - 10.2 Supplier is entitled at all times to demand advance payment, payment in cash or security for the payment.
  - 10.3 Payments shall always serve first to pay all interest and (partial or extrajudicial) costs owed and then shall be deducted from the oldest outstanding invoice amounts, even if the buyer indicates that the payment relates to other invoices.
  - 10.4 Immediately after passing the due date, according to article 11.1, the buyer owes the legal interest as mentioned in article 6:119a Civil Code. This interest equals the interest for refinancing, which was set by the European Central Bank, starting first day of related half year, multiplied by 7 percent points.
  - 10.5 If the buyer fails to pay in time or fails to fulfil any of the other obligations, Supplier is entitled to charge the extrajudicial costs of collection if we have to bring in a third party to assist in the settlement of the matter. These costs shall be 15% of the amounts owed by the buyer but shall in any case be calculate in accordance with the regressive fee rates for solicitors.
  - 10.6 If buyer does not complete the payment in time, he is in default with further notice of default is required and all receivables immediately due and payable.
  - 10.7 Then we have the right to postpone the fulfillment of all our commitments towards buyer, if and in so far as sufficiently coherent non-fulfillment by buyer, without prejudice to any other rights arising from the common law.
  - 10.8 We are entitled to ask for cash payment in advance or a guaranteed on time payment for all deliveries to be made. Furthermore, we have the right to dissolve the agreement without judicial intervention, with obligation by the buyer of restitution of delivered goods and the obligation to undo all by us delivered item, without prejudice to our right of compensation.
- 11. Intellectual ownership**
  - 11.1 Supplier owes the right to label with own name and brand. The buyer recognizes the intellectual ownership (copyright, patent-right, trade-mark) regarding the purchased and delivered goods and work, as technical datasheets, shall remain at Supplier.
  - 11.2 The buyer shall honour these rights and will act in accordance with instructions given by Supplier.
  - 11.3 If the buyer notices any invasion the proprietary rights of Permacol B.V by third party, he is obliged to inform Supplier immediately.
  - 11.4 It is forbidden to use brand or other distinguishing mark without explicit permission given by Supplier in writing.
- 12. Applicable law and disputes**
  - 12.1 Exclusively Dutch law shall govern each contract between buyer and Supplier Applicability of the Vienna Commercial Treaty (SICG) and the Uniform Law of International Sales Treaty (ULIS) shall be excluded.
  - 12.2 All disputes between buyer and supplier shall be submitted to the district court in Arnhem, if there is no legal provision to prevent this.