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GENERAL PURCHASE CONDITIONS OF SPIROTECH BV rev1

Article 1 Definitions

The terms and concepts used in these Purchase Conditions are defined as follows:

- 1.1 Client: Spirotech BV and its affiliated companies.
- 1.2 Contractor: the party with whom the Client contracts.
- 1.3 Agreement: the document in which the Supply is specified and which contains stipulations and conditions varying from and supplementary to the applicable General Purchase Conditions. A call-off order of a Supply-agreement or Delivery-agreement is also considered as such.
- 1.4 Supply: the goods/services to be supplied and its installation/mounting if and insofar agreed.
- 1.5 Delivery: actual transfer of possession or control of the goods/services or installations to be supplied.
- 1.6 Inspection: examination and assessment, of the Supply, be it before, during or after production/installation with regard to reliability and usability as described in the Agreement.

Article 2 General

- 2.1 These purchase conditions, hereafter called GPC (Dutch: AIV), form an integral part of the Agreement, insofar as they are applicable.
- 2.2 The provisions of the Agreement prevail over those of this GPC.
- 2.3 Inconsistencies in the Agreement and the documents attached to it, such as drawings, models and specifications, which the Contractor discovers or ought to discover, will immediately be communicated by him to Client. Contractor will indicate the consequences of these inconsistencies and suspend the performance of his obligations under the Agreement, insofar as necessary, until Client has decided in this matter.
- 2.4 Conditions of longer viability such as those about confidentiality and intellectual ownership stay in force even after expiry of the Agreement.
- 2.5 Application of the General Conditions used by the Contractor is hereby explicitly rejected.
- 2.6 If these GPC are translated, the original Dutch version will prevail in case of a dispute.
- 2.7 The following appendix form part of the Agreement:
 - a. The GPC
 - b.

Article 3 Changes

- 3.1 Deviations from these GPC and modifications in the Agreement must be agreed upon in writing or will be rejected. Verbal agreements only come into effect after written approval of the Client.
- 3.2 At all times during the term of the Agreement Client has the right to give Contractor a written order to modify the volume and/or description of the Supply. Contractor is then obliged to carry out the modifications involved and is committed to these changes as if these changes were included in the Agreement.
- 3.3 If a modification in accordance with paragraph 2 of this article has, in the opinion of the Contractor, consequences for the agreed fixed price and/or Delivery time, he shall, prior to complying therewith, so notify the Client in writing as soon as possible and in any case not later than 8 days after the notification of the required change. If these consequences for the price and/or Delivery time are unreasonable in the opinion of Client, he has the right to terminate the Agreement completely or partly by way of a written notification to Contractor, unless this would be obviously unreasonable. Termination under this article gives no right to compensation to either party.

Article 4 Transfer of obligations

- 4.1 Contractor can transfer an obligation under the Agreement only with the written permission of Client. Such permission may be subject to further reasonable conditions. This permission leaves the obligations of Contractor under the Agreement intact.

- 4.2 Without prejudice to what is stated in paragraph 1 of this article, Contractor, acting as subcontractor, is obliged to inform Client which securities he has provided for payment of Value Added Tax (BTW), salary, income tax and social security insurance premiums, which are legally binding on employers.
- 4.3 When transferring obligations to third parties, the conditions of this GPC equally apply to the third parties involved.

Article 5 Prices and Price Revisions

- 5.1 Prices include all costs of the Supply, including the cost of Delivery and/or transfer DDP in accordance with the Incoterms in force at the moment of completion of the Agreement. Prices are exclusive of Value Added Tax (BTW).
- 5.2 Unless otherwise agreed, prices are not subject to revision. If the Agreement provides for a revision of the prices, the circumstances in which price revision take place and the indexation of the price must be specified under penalty of being rejected.

Article 6. Invoicing and Payment

- 6.1 Invoicing will take place after Delivery in conformity with article 9 of these GPC or in accordance to the payment schedule agreed upon in writing.
- 6.2 The order to pay, including BTW, will take place no later than 60 days after receipt of the invoice, provided that the Delivery and the invoice are approved. Payment takes place in the currency as agreed in the Agreement. If payment in a foreign currency is agreed upon, the average exchange rate on the agreed payment day will be considered to be the exchange rate.
- 6.3 Payment by Client can be suspended in case he has detected shortcomings in the Supply and/or invoice.
- 6.4 Client has the right to reduce the amount of the invoice against amounts that Contractor owes to Client without further explanation. If Contractor owes any amount to Client at the final settlement of the Agreement, Contractor is obliged to pay within 30 days after the final settlement has been drawn up.
- 6.5 Payment by Client does not mean an acknowledgement of compliance with all obligations of Contractor.

Article 7 Advance payments

- 7.1 If advance payment is agreed upon, Contractor will provide security, before payment takes place, amounting to 10% above the advance payment in the form of an unconditional and irrevocable bank guarantee, issued by a bank acceptable to Client.
- 7.2 The bank guarantee will be unconditional for the term of the Agreement and payable on the mere notification of Client to the bank, that Contractor is in default.
- 7.3 Contractor will refrain from any action that could obstruct or prevent the execution of the bank guarantee.

Article 8 Delivery time

- 8.1 Delivery times are to be met irrevocably. When not meeting them, Contractor is legally in breach of contract without further notice.
- 8.2 Without prejudice to the possible consequences under the Agreement or any legal provision, Contractor must immediately inform Client in writing about an imminent delay of the Delivery time.

Article 9 Delivery

- 9.1 Delivery takes place at the warehouses of Client or at the address mentioned in the Agreement, in accordance with the Incoterms Delivery Duty Paid (DDP) in force at the moment of completion of the Agreement.

- 9.2 Client has the right to postpone Delivery. If Client requests Contractor to postpone Delivery, Contractor will, at his own expense and risk, securely store the goods, properly packed and insured, separately and clearly identifiable for Client.
- 9.3 Delivery takes place on presentation of a packing slip. This slip states: description of the article, number of articles, order number of Client, and also other references and the number of back orders.

Article 10 Shortcomings

- 10.1 Without further notice of default Contractor is in default of non-compliance from his part, regardless of its attributability.
- 10.2 Without prejudice to the right of compensation and any other legal rights pursuant to a shortcoming of Contractor, Client is entitled, in case of shortcoming, to collect a penalty of up to 5 % of the purchase price for each day that the shortcoming continues.
- 10.3 If Client has paid in advance, he is entitled to collect statutory interest over the amounts paid in advance, during the period of shortcoming.

Article 11 Guarantee

- 11.1 Contractor is obliged to ensure that the Supply is in accordance with the Agreement and meets the agreed requirements that Client might expect under the Agreement.
- 11.2 Contractor guarantees that the Supply will meet all relevant legal provisions regarding quality, environment, safety and health.
- 11.3 A default in the quality or capacity of the Supply, considered as such by Client or, in general, a conclusion by Client that the Supply does not or not adequately meet the Agreement, is considered as an attributable shortcoming, unless Contractor has proof to the contrary.
- 11.4 A guarantee period is only applicable if Client has agreed with it in writing, unless it is about system faults or design faults, for which there is no time limit. If a guarantee period for installed goods is agreed upon, these take effect at the moment that they are installed or commissioned by Client.

Article 12 Inspection

- 12.1 Client is at all times entitled to examine the ordered goods before, during as well as after Delivery.
- 12.2 Upon request, Contractor will give Client or his representative access to the place of production, processing or storage. Contractor will cooperate in the examination without any cost to Client.
- 12.3 If Inspection as referred to in article 1.6 of these GPC cannot take place at the intended time, or if an Inspection has to be repeated, the Contractor shall bear all costs incurred by the Client.
- 12.4 In case of rejection of the ordered goods, Contractor will ensure repair or replacement of the ordered goods within 5 working days, unless Client prefers termination of the Agreement in conformity with article 20 of these GPC.
- 12.5 If Contractor does not meet the obligation, under paragraph 4 of this article, to repair or replace the ordered goods, Client has the right to purchase the required goods from a third party, or to take measures himself or to let a third party take measures at the cost and risk of Contractor.
- 12.6 In case of rejection after Delivery, Client will keep the rejected or replaced goods in storage for a short period of time determined by Client. Contractor will be informed of the storage period. After the expiry of the time limit, Client has the right to return or destroy the rejected and replaced goods at the expense and risk of Contractor.
- 12.7 Approval does not mean acknowledgement of any other obligations of Contractor.

Article 13 Items and auxiliary resources for the Supply

- 13.1 Items or auxiliary resources, made available by Client, or bought or made by Contractor for the Supply to Client, such as drawings, models and calculations, remain the property of Client, or become the property of Client at the moment of Delivery or production.
- 13.2 Contractor is obliged to mark the items and auxiliary resources mentioned in paragraph 1 of this article as being the recognizable property of Client, and to keep them in good order, separated from items and auxiliary resources in the property of Contractor or third parties, and to insure them at his expense against all risks, for as long as they are in Contractor's possession.
- 13.3 Contractor will submit the items and auxiliary resources, bought or produced by him and used for carrying out the Agreement, for approval to Client at his first request in conformity with article 12 of these GPC. Article 15.3 of these GPC applies accordingly.
- 13.4 Contractor must deliver immediately the items and auxiliary resources, mentioned in paragraph 3 of this article, upon Clients' requests but not later than at the last Supply Delivery for which the items and auxiliary resources are used.
- 13.5 Changes to or deviations from the items and auxiliary resources which are the property of Client and/or which are approved by Client, are only allowed after prior written permission of Client.
- 13.6 Approval as referred to in paragraph 3 of this article, does not affect any other obligations of Contractor.
- 13.7 Contractor will not use the items and auxiliary resources, or use them through others, for or in connection with any other purpose than the Supply to Client, unless prior written permission of Client.

Article 14 Packaging materials, replaced and residual materials

- 14.1 All packaging materials, replaced and residual materials, in this article referred to as materials, remain, in principle, the property of Contractor.
- 14.2 Contractor will take back and destroy the materials at his own expense and risk, or to recycle or reuse them.
- 14.3 If, on the request of Contractor, the materials are to be destroyed and/or removed by Client, this will be done at the risk and expense of Contractor.
- 14.4 At all times Client have the right to return the materials to Contractor at the expense and risk of Contractor.

Article 15 Transfer of risk and ownership

- 15.1 The ownership of goods is passed to Client at the moment that they are delivered without any reservation and without the right to recovery by Contractor, without prejudice to what is stated in article 13 of these GPC.
- 15.2 The ownership of goods, or parts of goods, in which goods owned by Client are installed, will pass into the ownership of Client at the moment that they are installed or assembled.
- 15.3 The risk of the Supply is transferred to Client at the moment that Client has approved it after Delivery in conformity with article 12 of these GPC.
- 15.4 When finding non-conformity in the Supply that implies complete rejection, the ownership of goods will be transferred back to Contractor as from the moment that the notification of it has been received. If Contractor has not collected the delivered goods from Client within 5 working days after receiving the notification, Client will return the delivered goods to Contractor at the expense of Contractor.

Article 16 Intellectual and industrial ownership

- 16.1 Contractor guarantees a free and undisturbed use of the supplied goods by Client. He will indemnify Client against any financial consequences or claims made by third parties with respect to infringement of their intellectual or industrial property rights.

- 16.2 Contractor is entitled to use the information provided by Client, but only in connection with the awarding and execution of the Agreement. Client retains ownership of this information.
- 16.3 The intellectual and industrial ownership of Client-specific products, developed or produced for Client, belongs to Client. Contractor obtains the nonexclusive right of production.

Article 17 Documentation

- 17.1 Contractor is obliged to provide Client with the documentation involved prior to or at the same time as the Delivery.
- 17.2 Client is free in the use of this documentation. Multiplication of it is only allowed for his own use. 'Own use' also means the use for customer information.

Article 18 Confidentiality and prohibition of disclosure

Contractor will not disclose the existence, the nature and the contents of the Agreement and the contract, nor any business information of Client, such as business operations, to third parties under penalty of payment of € 10.000 per instance and €1.000 for each day that the violation continues. Application of the above penalty clause does not affect Client's right to compensation. Contractor will include this article in the Agreements he will enter in connection with his obligations under the Agreement.

Article 19 Liability

- 19.1 Contractor is liable for any damage that may occur in any connection with the execution of his obligations under the Agreement. Client has the right to demand an insurance to cover the risk. Contractor is obliged, at the first request of Client, to allow Inspection of the insurance policy serving as such.
- 19.2 Contractor indemnifies Client against all financial consequences of claims by third parties in connection with the execution of his obligations under the Agreement.
- 19.3 The provisions in paragraph 1 and 2 of this article also apply if the goods to be supplied are resold to third parties.

Article 20 Termination

- 20.1 Client has the right to terminate the Agreement without court intervention and without a notice of default in case Contractor fails to comply with any obligation under the Agreement, or when execution of the Agreement is endangered by Contractor's situation, such as a moratorium or bankruptcy.
- 20.2 In case of termination as referred to in paragraph 1 of this article, Client is entitled to be compensated for all material and immaterial damages and interest. The immaterial damage is assessed at 25% of the amount of the supplied goods including value added tax (BTW). The interest is the statutory interest.

Article 21 Claims becoming due and payable

Claims, which are due to Client for compensation of damages and interest, are immediately and fully due and payable.

Article 22 Rights of third parties

If the supplied goods are transferred to third parties, all rights belonging to Client under the Agreement, including the right for compensation under article 9 of these GPC will be transferred to these third parties.

Article 23 Order, safety and environment

- 23.1 Contractor and his employees, as well as third parties engaged by him, must observe the

(European) legal regulations about safety, health and environment. Company regulations and regulations about safety, health and environment of Client, if any, must also be observed.

23.2 Contractor guarantees that the supplied goods meet all legal requirements.

Article 24 Representation

Client is only bound to any Agreement entered into by employees of Client that are authorized according to the articles of association, or by an employee that has been duly authorized to do so. The articles of association, in which the authorized employees are mentioned, are on file with the Chamber of Commerce and Industry in Eindhoven.

Article 25 Disputes

25.1 Disputes between parties will in the first instance be discussed in proper and mutual consultations in order to resolve them out-of-court.

25.2 If parties are not able to reach an out-of-court settlement, the dispute will be submitted to the competent court in the district of 's-Hertogenbosch, unless the canton court is competent in the matter.

25.3 A dispute exists if one of the parties states so.

Article 26 Applicable law

26.1 Dutch law is exclusively applicable to the Agreement, of which these GPC form part. In case Contractor is located in another country, the United Nations Convention for the international Sales of goods (CISG) does not apply.

26.2 Stipulations customary in the sector only apply if and insofar as they are agreed upon in writing.

ADDITIONAL CONDITIONS ON AGREEMENTS FOR ORDERS AND AGREEMENTS ABOUT CONTRACTING WORK FOR CLIENT

Article 27 Applicability

These additional conditions apply to all Agreements about carrying out work and contracting work for Client, in addition to what has been agreed upon above.

Article 28 Knowledge of the premises of Client

28.1 Before Contractor starts executing the Agreement, he has to acquaint himself with the conditions on the premises and the buildings of Client in which Contractor has to carry out work and which may influence the execution of the Agreement.

28.2 If third parties work on the premises, Contractor will cooperate with them in such a way, that all work will be carried out in the most safe and efficient way for all parties involved.

28.3 Costs, arising from a delay in the execution of the Agreement caused by circumstances mentioned in paragraph 1 of this article, are at the expense of Contractor.

Article 29 Personnel, equipment and materials

29.1 Personnel, engaged by Contractor for the execution of the Agreement, will meet the special requirements set by Client and, if these are absent, the general requirements of professional competence and expertise.

29.2 If, in the opinion of Client, the personnel are insufficiently qualified, Client has the right to order the removal of this personnel and Contractor is obliged to replace them immediately, subject to the provision in paragraph 1 of this article.

29.3 Contractor will provide all materials and equipment to be used to carry out the work, including

tools.

- 29.4 Client has the right to inspect and examine the materials and equipment mentioned in paragraph 3 of this article. In case of complete or partial rejection, Contractor is obliged to replace the rejected materials and equipment immediately. For replaced materials and equipment articles 12.6 and 12.7 of these GPC equally apply.

Article 30 Subcontracting

- 30.1 In case of subcontracting, subcontractor (being Contractor according to these GPC) will submit, in addition to the provisions in article 4.2 of these GPC, a declaration of payment history from the tax office.

- 30.2 Contractor is obliged:

- a. to open a blocked account for payment of the income tax and social security insurance premiums as well as value added tax (BTW);
- b. to keep time records of the worked hours and to present these to Client;
- c. to allow Inspection of all the books and documents about the Agreement to subcontract work;
- d. to exclude from the prices invoiced any income tax, social security insurance premiums or value added tax (BTW).