

GENERAL DELIVERY CONDITIONS

of Vako b.v.

1. GENERAL.

- All our offers, contracts and the performance thereof shall exclusively be governed by these Conditions. Deviations must exclusively be agreed with us in writing.
- In these Conditions "the other party" means every (legal) person who has made or wishes to make a contract with our company to purchase from us and/or obtain services from us and/or to grant an assignment to us and, in addition, his representative(s), agent(s), legal successor(s) and heirs.
- Unless we have explicitly accepted such in writing, the general conditions used by the other party do not apply.
- If we have made a contract with the other party whereby the applicability of these Conditions is agreed, these Conditions also apply in the event of any further assignments granted verbally, by telephone, by telegraph or by telex or in some other way, regardless of a written confirmation on our part.

2. OFFERS.

- All our offers are without commitment, unless they set out a term for acceptance.
- All price lists, brochures and other information furnished with an offer are stated as accurately as possible. They are only binding on us if this has been explicitly confirmed in writing.
- We reserve the right to refuse orders without stating any reason therefore.

3. CONTRACT.

- If an offer is without commitment and is accepted, we have the right to revoke this offer in any event within two working days after receipt of the acceptance.
- We are first bound, after and insofar as we have accepted a written assignment and if the performance of the contract demonstrates our verbal acceptance; any additional agreements or confirmations made later, which deviate from the aforementioned written acceptance, are only valid if we have accepted or confirmed them in writing.
- We shall not accept orders lower than Euro 100 exclusive of VAT.
- Minor deviations vis-à-vis illustrations, the original design, drawing, copy or model or test without a reduction in quality shall not give rise to dissolution of the contract or to a claim for compensation.
- We are entitled – if we deem such necessary or desirable – to engage others for a proper performance of the contract.

4. PRICES.

- Unless otherwise stated, all prices are subject to change.
- Unless otherwise stated our prices are:
 - based on the amount of purchase prices, transport costs, insurance premiums and other costs applicable during the offer or the order date;
 - based on delivery ex our business, warehouse or other storage place;
 - exclusive of VAT, import duties, other taxes, levies and duties;
 - set out in Dutch currency; any currency changes shall be passed on.
- In the event of an increase in one or more cost price determining factors, such as an increase in the dollar and an increase in the prices of raw materials, we are entitled to increase the order price correspondingly, subject to any relevant statutory rules, including Article 6:236f of the Civil Code.
- Changes in the contract shall only be binding on us after our written confirmation. In the event of a change in the contract arising due to any cause whatsoever, there shall be set-off on the basis of contractual variation. Contractual variation shall be calculated on the basis of the price-determining factors which apply at the time that the work is executed, to be increased in the case of additional work by our usual profit mark-up.
- In the event of composite offers there is no obligation to effect part of the total performance for the amount set out in the offer for this part or for a proportional part of the indicated price for the entirety. We reserve the right to deliver in part shipments.

5. DELIVERY AND DELIVERY TIME.

- The delivery shall be effected at the business of the other party and additional sites and is ex warehouse, which means that as of the time that the shipment leaves our warehouse it is at the expense and risk of the other party. The other party must take out proper insurance against the transport risk.
- Time is not to be deemed of the essence with regard to delivery times specified by us, unless explicitly otherwise agreed. In the event of late delivery we must therefore be given written notice of default whereby the other party must give us a reasonable term to perform our obligations.
- The agreed delivery term starts on the date when the contract is made and we possess the instruction, approval or necessary documents, information, materials and/or drawings and the like which accompany the assignment and we have received from the other party the advance payment which is to be made according to the contract prior to the start of the work.
- The date of delivery shall be the date when we have given the other party notice that the goods have been made available at the agreed place, or the date on which we have placed the goods in the control of the other party.
- If the goods have not yet been taken after the expiry of the delivery time as indicated in Paragraph 6 above, we shall give the other party written notice of default and shall give them a reasonable term to take receipt of the goods. If the other party defaults on taking receipt of the goods after the expiry of such reasonable term, we shall store the goods at its expense and risk. In such case we shall be entitled to effect a public sale of these goods. The proceeds of the sale of the relevant goods shall then take the place of those goods, whereby we reserve the right to set off the damage suffered and the costs made by us as a result of the default of the other party against the proceeds of the sale. The foregoing is without prejudice to our option to demand full compensation in addition to the above.
- On-demand orders, including the orders whereby the date of delivery is dependent on a demand by the other party, must be placed and taken within the time period of a half year, to be calculated as of the day the sale contract was made or another explicitly agreed term, unless explicitly otherwise agreed in writing.
- The other party can return packing which is still in good condition, delivery paid, after which we shall take back the packing for the same amount that the packing was charged.
- If it is explicitly agreed in writing that the risk of the transport is to be borne by us, or, if, for any reason whatsoever, a claim based on Article 5 Paragraph 1 should not be successful, we are not bound to further compensation than the amount that we receive as compensation from the carrier or the insurer in connection with the loss or damage of the relevant goods during the transport. If necessary we shall, if the other party requests such, assign our claim on the carrier or the insurance company to the other party.
- We reserve the right to deliver for cash on delivery (COD).
- An order cost charge of Euro 20 is applied for consignments with an invoice value of less than Euro 350.

6. FORCE MAJEURE.

- In these Conditions force majeure means: every circumstance beyond the control of the parties, or any unforeseeable circumstance whereby the other party can no longer reasonably demand performance of the contract by us. "Force majeure" shall in any event include: work strike, excessive absenteeism of our personnel, transport difficulties, fire, government measures, including in any event import and export prohibitions, contingencies and business disruptions at our business or that of our suppliers, as well as default by our suppliers so that we cannot (any longer) perform our obligations vis-à-vis the other party.
- If a force majeure situation arises, we shall not be in default and we are entitled to suspend the performance of the contract if and insofar as it is temporarily impossible to perform our obligations or, to definitely dissolve the contract if and insofar as it is permanently impossible to perform our obligations. In the event of force majeure the other party is not entitled to compensation.
- We are entitled to demand payment of the performance effected in the performance of the relevant contract, before the circumstance which caused the force majeure was apparent.

7. LIABILITY.

- Aside from cases of intent or gross negligence on our part, we are not liable for any damage, howsoever called or arising under any heading whatsoever, unless and insofar as our liability insurer makes any payment in this respect, increased by any excess on our part.
- Loss of profit is not eligible for compensation. If so desired, the other party must take out insurance against such damage.
- We are not liable for damage caused by intent or gross negligence of our subordinates.
- We are not liable if the other party does not comply in any statutory performance and/or safety requirements relating to endproducts delivered by the other party. The other party shall indemnify us in this respect for claims of third parties.
- We are not liable for damage to materials and/or goods which the other party has made available to us for processing, if the other party has not informed us at latest when making the contract in writing of the treatment, features, quality, composition and application forms of the goods made available.

- If we have made commitments or given guarantees relating to the quality of the goods delivered by us [such as the tensile force of the heavy-duty belts delivered by us] then such commitments or guarantees shall only apply for the term indicated by us and as long as the goods are in the condition in which we delivered them. Every commitment or guarantee shall lapse as soon as the goods delivered by us have been processed or have become part of a greater whole. In particular, commitments relating to the tensile force of, e.g., heavy-duty belts shall lapse in such case. We are not liable for damage suffered by the other party or third parties in this respect. The other party shall indemnify us in this respect against counterclaims of third parties.

8. COMPLAINTS.

- The other party is obliged to inspect the goods delivered immediately upon delivery for any shortfalls or visible defects, or to execute such inspection after notice on our part that the goods are at the disposition of the other party.
- We shall only take complaints into consideration if the other party gives us written notice thereof within 8 days after delivery of the goods or services, accurately setting out the nature and the grounds of the complaints as well as when and in what way the defect was noted.
- Complaints on invoices must also be lodged in writing within 8 days after the date the invoices were sent.
- After the expiry of these term(s) the other party shall be deemed to have approved the goods delivered or services provided or to have approved the invoice. In such case we shall no longer take complaints into consideration.
- Without prejudice to the provisions of the preceding paragraphs of this article, no complaints shall be taken into consideration in respect of goods which the other party has taken into use in any way. The lodging of a complaint shall not release the other party from his payment obligations to us.
- The goods delivered may only be returned after our prior written consent, on the conditions established by us.
- No complaints shall be accepted regarding goods delivered which are of satisfactory quality but which turn out not to be suitable for the purpose for which the other party wishes to use them, of which purpose we have not been informed in writing.
- Complaints relating to partial deliveries may not be postponed until all agreed goods or services have been delivered or performed.

9. RETENTION OF TITLE, RIGHT OF COMPLAINT AND RIGHT OF RETENTION.

- All goods delivered and still to be delivered remain our property. Title shall first pass to the other party when all claims which we have or shall acquire in respect of the other party under the heading of deliveries or services carried out, including in any event the claims referred to in Article 3:92 Paragraph 2 of the Civil Code, including interest and costs, have been paid in full.
- As long as the title in the goods has not passed to the other party, the other party may not pledge the goods or grant third parties any other right in respect thereof, except within the normal course of its business. The other party undertakes to cooperate upon our first request in the granting of a right of pledge on claims which the other party acquires or shall acquire from his customers under the heading of onward delivery.
- The other party is obliged to store the goods which were delivered subject to retention of title with the necessary care and recognisably as our property. The other party is not entitled to use or handle goods delivered, as long as these have not been paid for in full, in such way that they lose their independent nature. We are at all times entitled to remove the goods which were delivered subject to retention of title and which are still in the possession of the other party, from the other party or its holders if the other party defaults on the performance of its payment obligations or is suffering or is at risk of suffering payment difficulties. The other party shall at all times grant us free access to its premises and/or buildings to inspect our goods and/or to exercise our rights. If the other party, despite a written demand, refuses to cooperate in the retrieval of the goods delivered, he shall forfeit a penalty of Euro 500 per day that he is/remains in default in this respect.
- We have the right to keep goods of the other party which are in our possession until all that the other party owes us has been paid, regardless of whether the assignments granted by the other party relate to the aforementioned or other goods of the other party. We also have a right of retention in the event of bankruptcy of the other party.

10. PAYMENT.

- The other party is obliged upon first request to give security which we find satisfactory for the timely and full performance of his payment and other obligations.
- Payment must be effected without any discount or set-off within 30 days after the invoice date. The currency day set out on our bank/giro statements is decisive and shall be deemed the payment day.
- No payment discounts are permitted for COD deliveries.
- If any invoice amount or any provisional invoice remains unpaid, we have the right to suspend further work.
- Every payment of the other party shall first serve to pay collection costs and/or administration costs made by us, then to pay the interest owed by the other party and then it shall be put toward the oldest outstanding claims.

11. INTEREST AND COSTS.

- Time is of the essence with regard to the payment terms set out in the preceding article. The other party shall therefore be in default without the need for notice of default upon expiry of the agreed payment term. As soon as the other party is in default, as of the due date until the date of full payment it shall owe interest of 2 % per (part of a) month over the still outstanding amount.
- All judicial and extrajudicial costs made by us are at the expense of the other party. The extrajudicial collection costs shall be calculated in accordance with the collection rate applied by the Netherlands Bar Association, with a minimum of Euro 250. The judicial costs shall be fixed at the actual legal costs we make.

12. DISSOLUTION AND SUSPENSION.

- If the other party defaults on any obligation to which he is subject under the Law, these Conditions, or the contract, our claims shall be immediately due and we have the right, fully at our election, to dissolve the contract by means of written notice to the other party, or to suspend our obligations under the heading of the contract.
- In cases that the other party:
 - is declared bankrupt, relinquishes its estate, files a petition for a moratorium on payment, or all or part of its property is attached, or
 - passes away or is made subject to guardianship, or
 - ceases or transfers its business or an important part thereof, including the placing of a company to be incorporated or already existing in its business, or makes changes in the objects of its business, all claims are immediately due and we have the right to suspend the performance of our obligations (in whole or in part) until the other party has given security for the performance of its obligations.

13. INTELLECTUAL PROPERTY RIGHTS.

- Designs, drawings, models, descriptions, photos and the like which we have made on instruction of the other party, shall inalienably remain our property and without written consent may not, in whole or in part, be reproduced or disclosed or handed over to third parties or used for any purpose whatsoever. If the other party acts contrary to the preceding it shall owe us, without any notice of default being required, for each breach an immediately due penalty of € 10,000, without discount or set-off, without prejudice to our right to demand full compensation in addition to the above-mentioned sum.
- The other party is liable to us for damage arising because drawings and other above-mentioned documents are disclosed or made available to third parties. The drawings and the like which have been produced by us or on our instruction, must be immediately returned upon our first request. We are in no way liable for mistakes in drawings and the like which were furnished on the part of the other party for the performance of the contract.
- If in the execution of an order use has to be made of drawings, trademarks, information or advice which the other party has given to us, and if consequently trade models, user rights, patent rights, copyrights, trademark rights or any other right of third parties are infringed, the other party shall indemnify us against any claims brought against us under that heading.
- If a third party on the basis of any alleged right objects to manufacture and/or delivery, we are entitled to cease the manufacture and/or delivery with immediate effect and demand compensation of the costs made, possibly increased by compensation for the other party, without our being bound to pay any compensation.

14. APPLICABLE LAW AND DISPUTES.

- All our offers, contracts and the performance thereof are exclusively governed by Dutch Law.
- All disputes, including those which only one party deems a dispute, ensuing from or connected with the contract to which these Conditions apply, or the relevant conditions themselves and its interpretation or

performance, both of a factual and legal nature, shall be adjudicated by the competent Civil Court within the area of our place of business, insofar as the statutory provisions permit such.

3. The provisions of Paragraph 2 are without prejudice to our right to bring the dispute before the Civil Court which is competent according to the normal competency rules, or, if agreement can be reached with the other party within one week after a proposal on our part to this effect, to have the matter adjudicated by means of arbitration or binding advisory opinion.