

Ciparo Products B.V.
Standard Terms and Conditions of Sale and Delivery

Lodged with the Chamber of Commerce in Rotterdam, the Netherlands,
Registration No.: 24191107

Article 1. General

1.1 Definitions:

- Ciparo – the private company with limited liability Ciparo Products B.V. in Rotterdam, acting in its capacity as provider, seller and supplier of products;
- Customer – a person or legal entity for the purposes of private or public law acting in its capacity as applicant, buyer and customer in respect of Ciparo's products;
- Agreement – an agreement for the sale and delivery of products entered into by Ciparo in its capacity as seller/supplier, and Customer in his capacity as buyer/customer;
- Products – all of the products (finished, semi-finished and other products) which Ciparo offers, sells and supplies to its Customers;
- Standard Terms and Conditions – these and any subsequently issued standard terms and conditions governing the sale and delivery of products applicable to and constituting an integral part of the Agreement.

1.2 These Standard Terms and Conditions shall apply to and constitute an integral part of all Agreements entered into by Ciparo and Customer, and shall also govern any contract and legal relations and acts involving Ciparo and Customer which may precede, arise pursuant to and/or be otherwise associated with the Agreements. Customer shall be bound by the provisions of these Standard Terms and Conditions and shall waive any terms and conditions (governing procurement or otherwise) which he may use. Any deviation from these Standard Terms and Conditions shall only be binding on Ciparo and Customer, if the former provides the latter with written confirmation to this effect.

1.3 Should any clause of these Standard Terms and Conditions be unenforceable in law, the remaining provisions of these terms and conditions shall remain in force and instead of the invalid one a legally valid clause shall apply, which approximates the meaning of the original clause as far as possible.

1.4 The Dutch version of these Standard Terms and Conditions shall constitute the only official version thereof which is binding on the parties. In the event of any conflict between a version of these Standard Terms and Conditions in some other language and the Dutch version, the latter shall prevail.

Article 2. Agreements, offers, quotations and cancellations

- 2.1 Ciparo and Customer shall enter into an agreement by means of written confirmation to this effect provided by Ciparo to Customer. Any offer or quotation which Ciparo presents to Customer shall be free of obligation.
- 2.2 The contents of an Agreement shall be determined by what is stipulated in the aforementioned written confirmation provided by Ciparo to Customer. Any subsequent supplement to and/or amendment of an Agreement shall only be binding if Ciparo provides Customer with written confirmation to this effect.
- 2.3 Customer shall be required to cancel an Agreement by means of a written notice to this effect which he presents to Ciparo, but this shall only be allowed if Ciparo's manufacturers or suppliers have not yet started to fulfil any order placed pursuant to that Agreement and Ciparo is able to cancel any order with them without incurring any expenses, in which case Customer shall be liable to pay Ciparo an immediately due amount equivalent to fifty percent of the price payable for the sale and delivery provided for in that Agreement by way of a cancellation fee.

Article 3. Prices for sale and delivery, and security

- 3.1 The prices for the sale and delivery of the Products shall be expressed in the agreed currency, and shall be stated as gross amounts exclusive of value added tax, unless explicitly stipulated otherwise. The applicable conditions of delivery (Ex Works, FAS, FOB, CIF, C&F and so forth, in accordance with the latest version of Incoterms) shall be stipulated along with the aforementioned prices. Unless explicitly agreed otherwise, Customer shall be liable for the costs involved in transport and forwarding.
- 3.2 All prices for the sale and delivery of Products pursuant to the Agreement shall be subject to any price increase which may be due to circumstances referred to in Article 3.3 below.
- 3.3 In the event that an increase occurs in the price of one or more factors determining the costs involved in the sale and delivery of the Products after an Agreement has been concluded, Ciparo shall be entitled to adjust the price for their sale and delivery accordingly. Ciparo may avail itself of this right until and on the date on which the relevant Products are supplied to Customer. Ciparo shall notify Customer in writing of such an aforementioned price adjustment.
- 3.4 In the event that the price adjustment referred to in Article 3.3 amounts to a price increase in excess of twenty percent of the price originally agreed for the sale and delivery, Customer shall be entitled to cancel the Agreement with Ciparo by means of a registered letter addressed to the latter within five days after Ciparo provides Customer with written notice under the terms of Article 3.3, in the absence of which Customer shall be deemed to have assented to the price adjustment.
- 3.5 Ciparo shall at all times be entitled to demand full or partial payment in advance and/or to demand security (or additional security) for the Products that are to be supplied, for the purposes of securing Customer's compliance (or further compliance)

with his obligations towards Ciparo pursuant to the Agreement, and Customer shall be required to ensure prompt compliance in full with such demand.

Article 4. Delivery and inspection

- 4.1 As soon as a definite date is known for the delivery of the Products, Ciparo shall notify Customer accordingly. Customer shall be required to collect the Products from Ciparo on that date (or to cause this to be done).
- 4.2 Ciparo shall deliver the Products to Customer in good order at the agreed place and on the date specified by Ciparo to Customer. Ciparo shall be entitled to deliver the Products to Customer in instalments. The risks pertaining to the Products shall pass from Ciparo to Customer at the time and on the date on which they are delivered.
- 4.3 Customer shall be required to thoroughly inspect and check the Products with regard to their number and conformity, when they are delivered (or to cause this to be done). In the event that the Products are inspected by or on behalf of Customer and/or an inspectorate appointed for this purpose (by a public authority), Customer shall ensure that their timely inspection occurs at a place and on a date stipulated by Ciparo. Unless otherwise agreed in writing Customer shall be liable for the costs involved in inspections, including any weighing and counting.
- 4.4 Customer shall be required to give immediate written notice of any complaints (any shortfall/defects) concerning the Products supplied by Ciparo by both endorsing the relevant consignment documents and addressing them to Ciparo, in the absence of which Customer shall be deemed to have received and accepted the Products from Ciparo in good order and in accordance with the Agreement. Within ten days after the Products supplied by Ciparo have been delivered, Customer shall be required to give Ciparo written notice of any complaints concerning them which could not reasonably be disclosed immediately following a thorough inspection and check upon delivery, in the absence of which Customer shall be deemed to have received and accepted the Products from Ciparo in good order and in accordance with the Agreement.
- 4.5 Any complaint made by Customer in respect of the Products or their delivery shall not affect his duty to pay Ciparo's invoices and shall only be considered by Ciparo, if Customer has fulfilled all of its obligations towards Ciparo pursuant to the Agreement. In the event that Ciparo finds that a complaint is well-founded, it shall be required either to repair, replace or supplement the relevant Products or to credit Customer for all or part of the invoice concerned and to refund such credit to Customer, such to occur at Ciparo's discretion in consultation with Customer. Ciparo shall acquire ownership of any Products that are replaced.
- 4.6 Any delivery times or dates communicated by Ciparo to Customer upon or subsequent to the conclusion of the Agreement shall be indicative and free of obligation. In the event that Ciparo fails to meet a specified delivery time, Ciparo shall notify Customer accordingly.

Article 5. Invoicing and payment

- 5.1 Ciparo shall invoice Customer for the sale and delivery of the Products in accordance with the Agreement. Ciparo shall also be entitled to invoice Customer for partial deliveries.
- 5.2 Customer shall pay Ciparo's invoices within seven days after the invoice date in the agreed currency and in a manner stipulated by Ciparo without any suspension, discount, deduction or setoff against a claim which Customer has or claims to have against Ciparo. Should Customer object to an invoice issued by Ciparo, Customer shall notify Ciparo accordingly by means of a registered letter within seven days after the invoice date, in the absence of which the invoice concerned shall be deemed to have been accepted without dispute.
- 5.3 In the event that Customer fails to pay an invoice issued by Ciparo in full and/or on time, Customer shall be in default merely by virtue of the expiry of the term of payment and for each month or part of a month it shall forfeit to Ciparo an immediately due penalty equivalent to two percent of the sum which Customer owes to Ciparo pursuant to the Agreement, subject to a minimum of EUR 100.00 in each case.
- 5.4 In the event that Customer remains in default in relation to all or part of any payment owed to Ciparo pursuant to the Agreement after receiving a reminder from Ciparo, and Ciparo engages the services of some other party to secure the extrajudicial collection of the amount concerned, Customer shall forfeit to Ciparo an immediately due penalty equivalent to fifteen percent of that amount subject to a minimum of EUR 350.00.
- 5.5 In the event that Customer remains in default in relation to all or part of any payment owed to Ciparo pursuant to the Agreement following the intervention of a third party as provided for in Article 5.4 above, and Ciparo institutes legal proceedings to collect the amount concerned, Customer shall be liable for all of the costs which Ciparo incurs in this respect.
- 5.6 Where Customer is a legal entity, the natural person who entered into the Agreement with Ciparo on Customer's behalf shall be severally liable for Customer's compliance with its obligations towards Ciparo pursuant to that Agreement.
- 5.7 Any payment made by Customer to Ciparo shall first serve to pay any judicial and extrajudicial collection costs payable to a third party, then any contractual penalties/costs and finally the longest outstanding invoice.

Article 6. Retention of title

- 6.1 Ciparo shall retain sole title to all of the Products which it delivers or is still to deliver to Customer pursuant to an Agreement, until such time as all of the claims which Ciparo has or will have against Customer pursuant to any Agreement, which shall at any rate include the claims referred to in Section 92(2) of the Dutch Civil Code, Vol. 3, are paid in full.
- 6.2 Customer shall have a duty to exercise due care to store the Products which Ciparo has delivered to him subject to retention of title, in such a manner that they can be recognised as Ciparo's belongings. In the event that the Products are attached at the

behest of some other party, Customer shall be required to notify Ciparo of this immediately and to submit a copy of the official report of such attachment.

- 6.3 In the event that Customer in any way fails to comply with its financial obligations towards Ciparo and/or finds itself in financial difficulties or is in danger of doing so, Ciparo shall at any time be entitled to take back (or to cause this to be done) the Products which have been delivered to Customer subject to retention of title and which Customer still has in its possession. Customer shall be liable for all of the costs incurred by Ciparo for the purposes of exercising his aforementioned right to take back the Products.
- 6.4 Customer shall grant Ciparo or any other party designated by Ciparo free and immediate access to his grounds and/or buildings at any time to inspect any Products that have been delivered and/or to exercise Ciparo's rights.
- 6.5 As long as title to the Products has not passed to Customer, he shall not be entitled to pledge them or to grant any right thereto to any other party, except where they are used, processed or sold as part of its normal business operations. In this respect Customer undertakes, when first requested to do so by Ciparo, to help pledge any claims which Customer may or will acquire pursuant to delivering the Products or any other products manufactured from or with them to its customers.
- 6.6 In the event that Customer fails to ensure strict or full compliance with any obligation Customer has towards Ciparo under the terms of the provisions of Articles 6.2, 6.3, 6.4 or 6.5 above, Customer shall forfeit to Ciparo a penalty amounting to EUR 5,000.00 for each instance of non-compliance, which shall fall due immediately and without prejudice to Customer's duty to compensate Ciparo for Ciparo's entire loss in the event that it is greater.
- 6.7 Where the law of the country governing Customer or the destination of the Products permits more far-reaching alternatives for retention of title (such as the so-called *Erweiterter, verlängerter und konzern Eigentumsvorbehalt* in Germany) than that stipulated in this article (Article 6), this more far-reaching alternative for retention of title shall be deemed to have been agreed to by Customer and Ciparo for Ciparo's benefit as part of the Agreement, as provided for in Section 92a(2) of the Dutch Civil Code, Vol. 3.
- 6.8 The foregoing provisions of this article (Article 6) shall not affect any other rights which Ciparo may enforce against Customer.

Article 7. Suspension and cancellation

Subject to any other rights that Ciparo may hold, Ciparo shall be entitled to cancel all or part of the Agreement or to suspend all or some of its obligations pursuant to the Agreement by means of a written statement addressed to Customer concerned without any judicial intervention or prior notice of default, in the event that Customer fails to fulfil its duties pursuant to the Agreement in full or on time, applies for a moratorium or is granted one, is declared bankrupt or an application is filed for its bankruptcy, the provisions of the *Wet Schuldsanering Natuurlijke Personen* [Debt Repayment (Natural Persons) Act] are applied in respect of Customer or an application is filed for this

purpose, the goods (or some of them) belonging to Customer or to which it is entitled are attached or if there are any other circumstances affecting Customer, based on which Ciparo has reason to doubt that Customer is or will be able to fulfil his obligations towards Ciparo pursuant to the Agreement. In this case Ciparo shall not be liable to pay anything (for the purposes of compensation or otherwise) to Customer. In the event that all or part of the Agreement is cancelled as provided for above, Customer shall be liable to pay Ciparo a cancellation fee in accordance with the provisions of Article 2.3 subject to his duty to compensate Ciparo in full in the event that the loss suffered by Ciparo is greater.

Article 8. Force majeure and change in circumstances

- 8.1 In the event of force majeure or a change in circumstances on the part of Ciparo, Ciparo shall be entitled to cancel all or part of the Agreement unilaterally or to suspend the implementation of all or part of it for a definite or indefinite period of time, and this shall not in any way entitle Customer to the payment of costs, compensation and/or otherwise by Ciparo, nor shall it affect Customer's financial obligations towards Ciparo with regard to that part of the Agreement which was implemented prior to the onset of the situation of force majeure or the change in circumstances.
- 8.2 Here force majeure is deemed to refer to, amongst other things, fire, flooding, theft, weather conditions, molest, a disaster (natural or otherwise), terrorism, an act of war or the threat/danger of war, transport-related problems or otherwise, the prohibition of imports, exports and/or transshipments, industrial strikes or work stoppages, or the disruption of business or production experienced by Ciparo or any other party whose services Ciparo has engaged for the purposes of executing the Agreement (such as manufacturers, suppliers, forwarding agents and inspectorates), some other form of delay or Ciparo's inability to carry out the Agreement as a result of circumstances affecting some other party whose services Ciparo has engaged, or any other conditions which disrupt Ciparo's normal operations and as a result of which the implementation of the Agreement is delayed or rendered impossible (reasonably or otherwise).

Article 9. Specifications, descriptions, drawings, illustrations, designs and samples

- 9.1 Ciparo reserves all rights in relation to any drawings, illustrations or designs which Ciparo produces or supplies.
- 9.2 Any drawing, illustration, design and/or sample submitted by Ciparo or Customer when the Agreement is concluded shall serve as no more than an indication of the Products that are to be supplied within the context of the properties which those Products need to possess to facilitate their normal use. Where there is a discrepancy between any drawing, illustration, design or sample which is supplied and the relevant specifications or description, the latter shall prevail and, in the event that any specification differs from a description, the latter shall prevail.

Article 10. Intellectual property and other third-party rights

- 10.1 Customer shall warrant that the Products which Ciparo is to manufacture and supply (or to cause this to be done) on Customer's instructions, do not infringe on the intellectual property or any other rights held by some other party and that they do not contravene any government regulation either.
- 10.2 In the event that Ciparo suspects at any time that the implementation of the Agreement may infringe on some other party's rights and/or contravene government regulations, Ciparo shall notify Customer accordingly and Ciparo shall be entitled to suspend its duties pursuant to the Agreement until such time as Customer allays this suspicion on the part of Ciparo beyond a doubt and Ciparo shall not be liable to pay Customer any costs, compensation or otherwise. Should Customer fail to allay this suspicion beyond a doubt within a reasonable period of time, Ciparo shall be entitled to cancel all or part of the Agreement without being liable to pay Customer any costs, compensation or otherwise, and Customer shall be liable to pay Ciparo a cancellation fee in accordance with the provisions of Article 2.3, subject to Customer's duty to compensate Ciparo in full in the event that its loss is greater.
- 10.3 Customer shall indemnify Ciparo – when first requested to do so – against any claim made by some other party or public authority concerning the infringement of intellectual property or any other rights held by such other party and/or the contravention of any government regulations and shall, when first requested to do so in any case that may arise, compensate Ciparo in full for any loss that Ciparo suffers in this respect, which is deemed to include any expenses that Ciparo incurs in this regard.

Article 11. Warranty, liability and indemnification

- 11.1 Any warranty for the Products that are supplied shall only apply if and in so far as Ciparo gives a written warranty to Customer in relation to its term when the Agreement is concluded. In the event that Ciparo supplies a sample to Customer at any point in time, Customer approves that sample and Ciparo manufactures the Products in accordance with the properties of the sample which it has provided, the Products shall be deemed to possess the properties that are required for their normal use or any specific use required by Customer. In the event that Ciparo supplies the Products to Customer which conform to any descriptions, drawings, illustrations, designs, samples and/or specifications that Customer presents to Ciparo at any point in time, and Ciparo supplies the Products to Customer which conform to the properties of the sample that Customer has provided, the Products shall be deemed to possess the properties that are required for their normal use or any specific use required by Customer.
- 11.2 Any warranty shall lapse in the event that Customer or some other party fails to observe the normal rules applicable to the treatment, use and/or maintenance of the Products, in the event of normal wear and tear and/or in the event that Customer or some other party modifies the Products, the Products are processed in any way or a period of warranty specified by Ciparo expires.
- 11.3 Customer shall be required to submit a claim under warranty to Ciparo by means of a registered letter along with the relevant invoice and proof of payment within ten days after the grounds for such claim become evident, and it shall only be considered if Customer has complied in full with all of his obligations towards Ciparo in relation to the relevant claim. Should Ciparo find that there are grounds for a claim under

warranty, it shall be required either to repair or replace the relevant Products or to credit Customer for all or part of the invoice concerned and to refund the credited amount to him, such to occur at Ciparo's discretion and in consultation with Customer. Ciparo shall acquire ownership of any Products that are replaced.

- 11.4 Subject to what is stipulated elsewhere in these Standard Terms and Conditions and also to what is provided below, Ciparo shall under no circumstances be liable towards Customer for trading loss, consequential or indirect loss, which is deemed to include loss of earnings and foregone savings, nor for any loss suffered by Customer due to the failure to meet a deadline.
- 11.5 In the event that Ciparo is liable towards Customer for any loss suffered by Customer based on any grounds whatsoever, Ciparo's liability shall be confined to the amount covered by or paid out pursuant to its professional liability insurance. Should Ciparo's liability be established beyond all reasonable doubt but no cover or compensation for the loss be provided pursuant to its professional liability insurance for any reason whatsoever, Ciparo's liability shall at any rate be confined to the amount stipulated on the invoice for the relevant sale and delivery pertaining to such loss subject to a maximum of EUR 5,000.00 in respect of each occurrence.
- 11.6 In the event that Customer is of the opinion that Ciparo has failed to comply with its obligations pursuant to the Agreement or the law, he shall be required to notify Ciparo of this immediately by means of a registered letter. Customer's right to enforce his entitlement to compliance, repairs, replacement, payment (of compensation or otherwise) and the like by means of legal proceedings shall lapse six months after Customer first calls on Ciparo to account for the underlying occurrence.
- 11.7 When Ciparo first requested to do so, Customer shall be required to indemnify and/or compensate Ciparo against or for any loss or expenses which Ciparo may incur due to the fact that a third party holds Ciparo responsible, and/or institutes proceedings against Ciparo with regard to any occurrence in respect of which liability on the part of Ciparo towards Customer is precluded pursuant to these Standard Terms and Conditions.

Article 12. Disputes and governing law

- 12.1 Either party may bring any dispute that may arise between Ciparo and Customer concerning the Agreement or any agreement, or legal relations and acts involving the parties which may precede, arise pursuant to and/or be otherwise associated with same and which cannot be resolved through consultation with each other, before a competent court of law in Rotterdam, the Netherlands, to the exclusion of any other dispute resolution body, subject to the proviso that – contrary to the foregoing – Ciparo shall be entitled to exercise its own discretion to bring such a dispute before a competent court of law within the jurisdiction or country in which Customer is based. Notwithstanding the foregoing provisions, Ciparo and Customer may jointly decide – by means of a written agreement to this effect – to resolve any dispute which arises through arbitration, mediation or binding advice

12.2 All Agreements and legal relations between Ciparo and Customer shall be solely governed by and construed in accordance with the law of the Netherlands. The provisions of the Vienna Sales Convention shall not apply.
