

GENERAL PURCHASE CONDITIONS OF AVR

In addition to the general provisions as described under A of these Conditions, the specific provision (B to E inclusive) will apply, as follows: the purchase of Products will also be governed by the provisions under B; the purchase of Services will also be governed by the provisions under C; the Supply of Staff will also be governed by the provisions under D; and the performance of Work by the Contractor will also be governed by the provisions under E.

A. General Provisions

Article 1: Definitions

Unless expressly indicated otherwise, the capitalized terms as used herein will have the following meanings:

Building Site:	the Client's premises as described in further detail in the Agreement on, under or over which the Project is to be carried out, as well as the premises made available by the Client to the Contractor for the purpose
Services:	of realization of the Project; the Services to be provided by the Contractor to the Client based on the Agreement;
Supply of Staff:	the supply by the Contractor to the Client, based on the Agreement, of staff who will temporarily work at the Client's, under the Client's management and supervision, either on fixed days or otherwise, for the purpose of the agreed work;
Client:	AVR-Afvalverwerking B.V., RAV Water Treatment I B.V., as well as any of their affiliated legal entities;
Contractor:	any private individual or legal entity having entered, or wishing to enter, into an Agreement with the Client;
Assignment:	any assignments issued by the Client to the Contractor In Writing, orally or electronically, relating to the provision of Deliverables;
Agreement:	the agreement between the Client and the Contractor relating to the provision of Deliverables;
Party/Parties:	the Client and the Contractor, either jointly or each individually;
Deliverable/s:	the supply of Products and/or the realization of a Project and/or the provision of Services and/or the Supply of Staff;
Product/s:	any Products marketed by the Contractor and/or to be supplied by the Contractor to the Client as per a specification, including the associated provision of Services;
Project:	the Work to be realized and/or the work to be completed;
Schedule of Requirements: the description of the Project and the requirements and warranties to be met by such Project;	
In Writing: Confidential	by letter or by email;
Information:	any information and data, whether visual, oral, In Writing and/or electronic, directly or indirectly provided by the providing Party to the receiving Party or to the management and/or the employees of the receiving Party, including but not limited to information relating to the business operations, Products, Projects, manufacturing methods, financial information, prices, market information, customers or suppliers and/or competition sensitive information;
HSE Plan:	Health, Safety and Environment Plan including measures and references for the purpose of sound performance of Work;
Conditions: Workdays:	these general purchase conditions; all calendar days, with the exception of weekends and public holidays in the Netherlands;



Work: all activities, including design, implementation plan, construction and functional completion, required to realize the Project in properly functioning condition.

Article 2: Applicability

- 1. The provisions of these Conditions will apply to all enquiries from the Client, offers from the Contractor (including but not limited to quotations), Assignments, and Agreements entered into and to be entered into by the Client, under which the Client will act as the client or potential client or the acquirer of Deliverables and/or related items, to the extent not expressly agreed otherwise between the Parties In Writing.
- 2. The applicability of any general conditions, howsoever denominated, of the Contractor is hereby expressly waived. By the mere entering into an Agreement, the Contractor waives any general conditions on its part, so that all Agreements will be governed exclusively by the present Conditions.
- 3. Any variations from these Conditions will be binding on the Client only if and to the extent confirmed by the Client In Writing and only in respect of the enquiries, offers, Assignments and Agreements to which they apply. With respect to the other enquiries, offers, Assignments and Agreements, these Conditions will remain in full force and effect.
- 4. In the event of conflict between the provisions of the Conditions and any Agreement, the Agreement will prevail.

Article 3: Formation of an Agreement

- 1. If an offer or quotation from the Contractor is followed by an Assignment, the Agreement will be deemed to have been formed upon despatch of the Assignment by the Client.
- 2. If an Assignment is issued by the Client without being preceded by an offer or quotation from the Contractor, the Agreement will be deemed to have been formed either if the assignment confirmation, or copy thereof, signed by the Contractor is received by the Client within five (5) Workdays of despatch of the Assignment or as a result of the Contractor's commencement of performance of the Assignment in accordance with the Assignment within such term. In such event the Agreement will be deemed to have been formed upon receipt of the assignment. If the Assignment is not confirmed or performance thereof is not commenced within the said term, the Client may assume that the Contractor has accepted the Assignment tacitly and in accordance with the Assignment. Even after confirmation of the Assignment by the Contractor, the Client reserves the right to withdraw the Assignment within five (5) Workdays, without any liability arising on its part to pay damages to the Contractor.
- 3. The contents of the Agreement cannot vary from that stated by the Client in the Assignment, either preceded by a quotation issued by the Contractor or otherwise, unless the Client agrees In Writing to such varying contents.
- 4. In the event that an Agreement is formed orally, performance of the Agreement will be suspended until the Client's despatch of the confirmation of the Assignment In Writing. Performance of the oral Agreement will, however, not be suspended if upon entering into the oral Agreement the Client issues an assignment number to the Contractor.



Article 4: Prices

The price agreed between the Contractor and the Client, as indicated in the Agreement, will be fixed and can, therefore, not be subject to revision; is expressed in euros; is exclusive of VAT; and, furthermore, includes taxes, levies, packing and changes to exchange rates, unless expressly agreed otherwise In Writing. The prices may be changed only with the Client's prior consent In Writing.

Article 5: Payments

- 1. Unless agreed otherwise In Writing, payment is to be made within 90 days of receipt of the invoice, provided that the Client has received and approved the Deliverables provided and to the extent applicable has received all accompanying documentation, drawings, quality and warranty certificates.
- 2. Any payment conditions stated in the Contractor's invoice will not be deemed to constitute payment conditions In Writing as referred to in paragraph 1 of this article.
- 3. The Client will at all times be entitled, before payment is made, to require security to its satisfaction for performance of the Contractor's (remaining) obligations. Refusal by the Contractor to provide the required security will entitle the Client to dissolve the Agreement without any liability arising on its part to pay damages to the Contractor, and without prejudice to any of the Client's other rights.
- 4. Payment by the Client will not in any way whatsoever be construed as a waiver of any rights or as approval of the items delivered.
- 5. The Client will at all times be entitled to set off all or part of the invoice amount against a claim against the Contractor.

Article 6: Delivery, Delivery Time and Terms of Delivery

- 1. Delivery by the Contractor will take place at the agreed place and punctually at the agreed time and within the agreed term. The delivery times stated by the Contractor will be deemed to be firm deadlines, unless expressly agreed In Writing that that the delivery time stated does not constitute a firm deadline.
- 2. As soon as the Contractor knows or should know that delivery will not take place, or will not take place punctually or properly, but not later than upon expiry of the delivery period, it will immediately notify the Client thereof In Writing, stating the circumstances giving rise to such non-performance. If the Client deems the time by which the delivery period is thus exceeded unacceptable, it may dissolve the relevant Agreement with immediate effect and without any judicial intervention being required, by giving notice In Writing, without any liability arising on its part to pay damages to the Contractor, and without prejudice to any of the Client's other rights.
- 3. In the event that the agreed delivery periods for the Deliverables as referred to in paragraph 1 of this article are exceeded by the Contractor, or an (anticipated) delay in delivery is not, or not punctually, reported by it as described in paragraph 2 of this article, the Contractor will be liable for any and all damage to be suffered by the Client, including but not limited to third-party claims for damages. In the event of any such liability on the part of the Contractor as a result of delivery periods being exceeded and/or failure, or failure punctually, to report any delay in delivery, the provisions of article 9, including the limitation of the Contractor's liability, will fully apply.
- 4. In addition to the provisions of paragraph 3 of this article, in the event that the delivery period is exceeded, in any event a penalty will be forfeited equal to 0.5% of the total net invoice value of the Assignment based on which the Deliverables were to be



provided, for each calendar day that the delivery period is exceeded, all subject to a maximum of 10% of the net invoice value. The penalty will be related solely to the relevant delay and will, moreover, not affect any right of the Client in addition to claim damages or other costs.

5. Delivery prior to the agreed time may be refused by the Client.

Article 7: Quality, Warranty, Inspection

- 1. The Contractor warrants that the Deliverables provided (i) are in compliance with the Agreement and the agreed specifications; (ii) are in compliance with the applicable laws and regulations; (iii) are fit for their intended purpose, are of good quality and are free of defects; (iv) do not infringe any third-party rights, including but not limited to rights of intellectual and industrial property.
- 2. If it is discovered, on or after delivery, that all or part of the Deliverables do not meet the requirements set in paragraph 1 of this article, the Contractor will, in the event of supply of Products, within a reasonable term remedy the defects by repairing the defective Products and/or replacing the Products and/or by arranging an additional delivery of the Products, all at the Client's option. In the event of Services and/or Work, all or part of the Services and/or the Work will be performed again. All costs involved will be payable by the Contractor.
- 3. If the Contractor fails to perform its warranty obligations under this article within a reasonable term set by the Client, the Client will be entitled to perform the necessary repairs itself or cause a third party to perform such repairs, or purchase replacement and/or additional Products and/or Services and/or Work from a third party, all at the Contractor's expense.

Article 8: Termination of the Agreement

- 1. Unless agreed otherwise In Writing, either Party will if the Agreement is a continuing performance relationship [*duurrelatie*] at all times be authorized to terminate the Agreement (early) by giving notice In Writing to the other Party, with due observance of a notice period of six (6) months. After expiry of the notice period, the Parties will discontinue performance of the Agreement. The Parties will, however, not be able to cancel any Assignment already given.
- 2. If the Contractor fails to perform the Agreement entered into between the Parties by failing, or failing punctually or properly, to perform any of its obligations under the Agreement or any other ensuing agreements, give the Contractor notice In Writing, granting the Contractor a reasonable term to perform its obligations under the Agreement, or at least to remedy the Deliverables. If the Contractor fails properly to perform its obligations or remedy the Deliverables within the further term set, the Contractor will be in default without any further notice of default being required. In such event, the Client will be entitled unilaterally to dissolve all or part of the Agreement without any judicial intervention being required, by giving notice In Writing to the Contractor. In such event the Client may also suspend its payment obligations and/or assign performance of all or part of the Agreement to third parties, without prejudice to any of the Client's other rights, including the Client's right to claim full damages.
- 3. In the event that any of the circumstances referred to in paragraph 2 of this article occur, all the Client's claims against the Contractor will become immediately and fully due and payable and subject to the statutory commercial interest (Article 6:119a in conjunction with Article 6:120 of the Dutch Civil Code [*BW*]) as from such time or the earlier due date. The Contractor will thereby also pay the Client the extrajudicial costs in accordance with Art. 6:96(2)(c) BW in conjunction with Art. 6:96(5) BW. Furthermore,



the Client may suspend, terminate or dissolve any and all other Agreements with the Contractor.

- 4. The Client may terminate the Agreement with immediate effect by giving notice In Writing, without any liability arising on its part to pay any form of damages to the Contractor, in the event that bankruptcy or a (provisional) moratorium on payment of debts is filed for, or in the event of stoppage, winding-up, dissolution, discontinuation or takeover, or any similar situation, in respect of the Contractor's business, or in the event of a change i) in control as a result of transfer of title or beneficial ownership in respect of all or part of the shares in the Contractor's issued capital or ii) in the management and/or governance of the Contractor (change of control).
- 5. In the event of termination or expiry of an Agreement, the Contractor will immediately return all originals and copies of Confidential Information made available to it by the Client for the purpose of performance of the Agreement.
- 6. Any obligations which, by their nature, are intended to survive termination or dissolution of the Agreement will continue to be in effect after termination or dissolution, irrespective of the ground for termination of dissolution. Such obligations will include, but are not limited to: confidentiality, liability, dispute resolution, and applicable law.

Article 9: Liability

- 1. The Contractor will hold the Client harmless against any claim on the part of the Client relating to the Deliverables. Claims will in any event be taken to include, but not to be limited to, claims for compensation of damage and costs on account of attributable failure and/or wrongful act on the part of the Contractor, its staff or any other persons engaged by the Contractor in the performance of the Agreement or any ensuing agreements, product liability, infringement of intellectual property rights, violation of privacy laws, claims based on the fact that the Deliverables are not in compliance with the applicable laws and regulations, and claims as a result of, or in connection with, the nature of, or defects in, the Deliverables or as a result of the fact that the Deliverables do not have the properties that the third party could expect, etc.
- 2. The Contractor will in any event, without limitation, be liable for compensation of:
 - (a) the transaction damage: the difference between the value of the contractual obligation and the value of the contractual obligation as actually performed by the Contractor;
 - (b) lost profit;
 - (c) costs of delay ("default interest");
 - (d) any and all (further) costs, interest and expenditure (including but not limited to legal fees, experts' fees, travel expenses, extrajudicial costs of assessment of the nature and amount of the damage);
 - (e) any and all costs and expenditure that should be deemed to be "useless" (including but not limited to: redundancy pay, fines, costs of transport, assembly, warehouse, insurance, etc.);
 - (f) any and all costs and expenditure relating to a recall.
- 3. The Contractor's liability vis-à-vis the Client for compensation of damage as referred to in paragraphs 1 and 2 of this article is limited to the higher of EUR 1,500,000 (in words: one million five hundred thousand euros) per event or the amount of the net invoice value of the Agreement based on which the Deliverables causing the damage were provided. Any liability on the part of the Client will also be limited to an amount of EUR 1,500,000 (in words: one million five hundred: net invoice to the thousand euros) per event. The limitation of liability will not apply in the event of intentional act or gross negligence on



the part of either Party, its staff or any other persons engaged by such Party in the performance of the Agreement or any ensuing agreements, as well as in the event of indemnification against third-party claims.

- 4. For purposes of this article, staff and employees of a Party will also be considered third parties.
- 5. The Contractor will take out adequate insurance against the liability as referred to in this article and will, if so desired, allow the Client to inspect the relevant insurance policy.
- 6. In the event that the Contractor can assert a claim for payment under one or more insurance policies in connection with its liability vis-à-vis the Client, the Contractor will ensure that such payment or payments will be made directly to the Client. For this purpose, the Contractor hereby assigns to the Client all existing and future rights and claims on the part of the Contractor pursuant to or under any insurance policy, and hereby grants the Client an irrevocable power of attorney at any time to give notice of such assignment to the relevant insurance company and to cause any insurance payments to be made directly to it, which assignment and power of attorney are hereby accepted by the Client.

Article 10: Confidential Information, Secrecy and Personal Data Protection

- 1. All Confidential Information (including the intellectual property rights in such Confidential Information) will remain the property of the providing Party. Provision of the Confidential Information by the providing Party to the receiving Party can in no way be deemed to constitute a transfer of rights or the grant of a licence to use the Confidential Information.
- 2. The receiving Party undertakes vis-à-vis the providing Party without the prior consent of the providing Party In Writing not directly or indirectly to disclose or make the Confidential Information available to any third parties, either orally or In Writing, and to observe strict secrecy in respect of the Confidential Information. Furthermore, the receiving Party undertakes not to use the Confidential Information in any way that may damage the interests of the providing Party, or for any purpose other than the performance of its obligations under the Agreement entered into.
- 3. The receiving Party will not make any copies, in any form whatsoever, of the Confidential Information. Furthermore, the receiving Party undertakes, on the providing Party's demand, as well as in the event of termination or expiry of the Agreement entered into, promptly to return to the latter: (i) all documents in its possession, as well as any copies made thereof, in any form whatsoever, on which the Confidential Information is recorded; (ii) all other (electronic) data carriers on which the Confidential Information has been used; (iv) all documents, memorandums, reports, etc., containing Confidential Information, either in processed form or otherwise, and/or for the preparation of which the Confidential Information has been used.
- 4. The Contractor will take appropriate technical and organizational measures to warrant that all personal data, within the meaning of the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679), received by the Contractor from the Client for purposes of performance of the Agreement, including but not limited to the address details of employees of the Client, will be processed in accordance with the applicable personal data protection laws.



5. With respect to personal data protection, either Party will strictly comply with the applicable laws and regulations, including but not limited to the General Data Protection Regulation (GDPR) (Regulation (EU) 2016/679), and enter into all such agreements as may be necessary in that respect.

Article 11: Intellectual Property

- 1. All current and future intellectual property rights in existence anywhere in the world, including but not limited to copyrights, database rights, design rights, trademarks, trade names, domain names, patents, knowhow, and other *sui generis* (intellectual property) rights, either registered or unregistered, and including all priority rights, divisions, continuations, and renewals of such rights, applications for and claims to such rights, as well as all rights and rights of claim attached thereto, including but not limited to the right to claim damages and profit disgorgement (hereinafter: "Intellectual Property Rights") in all items made available to the Contractor under an Agreement, including but not limited to drawings, materials, moulds and other movable property, will be owned exclusively by the Client. The Contractor will only be granted the non-transferable and non-sublicensable right to use the items made available to it by the Client in the context of an Agreement during the term of the Agreement and for purposes of performance of the Agreement or Agreements entered into between the Client and the Contractor.
- 2. To the extent that results of work performed by the Contractor for the Client (such as reports, drawings, designs) are subject to Intellectual Property Rights, the Contractor warrants the Client's use thereof, to the extent necessary in connection with the Agreement and/or (the unhindered and continuous use of) any Deliverable resulting from it. To the extent possible, such rights will be owned exclusively by the Client. Any rights that have been created on the Contractor's part in the context of performance of the Agreement or Agreements between the Client and the Contractor will be unconditionally and irrevocably transferred to the Client by signing the Agreement, without any fee being due in that respect, which transfer is hereby accepted by the Client. If that should prove necessary for formal reasons, the Contractor will, on the Client's demand, without setting any further conditions, render its cooperation in the execution of a document and perform all such acts as may prove necessary to arrange that all Intellectual Property Rights that have been created in the context of performance of an Agreement between the Client and the Contractor will be owned by the Client. To the extent that, despite the foregoing, the said Intellectual Property Rights cannot be transferred to the Client, the Contractor hereby grants the Client, in advance, also for purposes of necessary maintenance activities, a worldwide, exclusive, transferable licence, not subject to termination, to use the said Intellectual Property Rights for an indefinite period of time. If so desired, the Client may enter, or cause the entry of, the licence in the designated registers, in respect of which the Contractor will lend the necessary cooperation.
- 3. Save in the events referred to in paragraphs 1, 4 and 5 of this article, the Contractor may not use the Client's Intellectual Property Rights, including its trade name, trademark and designs, without the Client's prior consent In Writing.
- 4. To the extent that the Contractor is to use patented materials of the Client in the performance of an Agreement, the Client hereby grants the Contractor the non-transferable right to use such patented materials for purposes of performance of the Agreement, which right is hereby accepted by the Contractor.
- 5. All knowhow made available by the Client to the Contractor in connection with the performance of an Agreement will be used by the Contractor for purposes of



performance, and for the duration, of that Agreement only. Article 10 (Secrecy) will fully apply to any and all knowhow made available by the Client.

Article 12: Resources

- 1. Any materials, software, drawings, designs, moulds, tools, instructions, specifications and other resources made available by the Client or purchased or created by the Contractor for the purpose of delivery to the Client will remain, or become, the property of the Client upon purchase or creation, all unless agreed otherwise In Writing between the Parties.
- 2. The Contractor as holder for the Client will be under the obligation to label the resources referred to in the foregoing paragraph as recognizable property of the Client, keep them in good condition, and insure them at the Contractor's expense against all risks, as long as the Contractor acts as the holder of such resources.
- 3. The Contractor may not remove or change any proprietary notice of the Client on the resources.
- 4. The resources will be made available to the Client on demand or simultaneously with provision of the Deliverables to which the resources relate.
- 5. Any resources used by the Contractor in the performance of the Agreement will be submitted for approval by the Client on the latter's demand.
- 6. Modification of, or variation from, the resources made available or approved by the Client will be permitted only with the Client's prior approval In Writing.
- 7. The Contractor will not use, or allow the use of, the resources for or in connection with any purpose other than the delivery to the Client. The Contractor may not grant the use of, or rent or otherwise give up the resources to any third parties, either for no consideration or against payment of a fee.
- 8. On the Client's demand, the Contractor will inform the Client, by way of a status overview, of the quantity and quality of the resources of the Client in the Contractor's possession.
- 9. The Client may require the Contractor to sign proprietary statements relating to the resources. The Contractor will render its cooperation in that respect.
- 10. The method of use of the resources will be entirely at the risk of the Contractor.
- 11. In the event of (impending) bankruptcy or a (provisional) moratorium on payment on the part of the Contractor, or in the event of attachment of any nature whatsoever against the Contractor, or in the event of appointment of an administrator for the Contractor pursuant to any statutory provision whatsoever, the Contractor will be under the obligation immediately to notify the Client In Writing. The Contractor will also be required promptly to give the receiver, administrator or attaching bailiff access to these Conditions.

Article 13: Changes

1. Provided reasonably feasible, the Client will be entitled to require the Contractor to make changes to the nature and scope of the Deliverables to be provided. The Client will provide a statement of the required changes in such a way that they can be known by the Contractor.



- 2. If, in the Contractor's opinion, a change will have consequences for the agreed price and/or delivery time, it will be under the obligation, before making the change, to notify the Client thereof In Writing as soon as possible, but not later than eight (8) Workdays following notice of the required change. The Client will be entitled to dissolve the Agreement if the price and delivery time stated by the Contractor are not acceptable to the Client. The Client will not unreasonably exercise its right to dissolve the Agreement. In the event of dissolution, the Client will compensate the Contractor for all reasonable direct costs incurred by the Contractor up to then in direct connection with the dissolved Agreement, to the extent that the results thereof cannot be used elsewhere.
- 3. The Contractor will be authorized to make or implement changes to the performance of the Agreement with the Client's prior consent In Writing only. Any requests for changes are to be submitted by the Contractor to the Client In Writing.

Article 14: Assignment and Subcontracting

- 1. The Contractor may not assign all or part of the rights and obligations ensuing for the Contractor from an Agreement to any third parties without the Client's prior consent In Writing. This provision will have effect both under property law and under the law of obligations within the meaning of Art. 3:83(2) BW.
- 2. The Contractor may not subcontract the performance of all or part of its obligations under the Agreement to any third parties or cause any third parties to perform all or part of such obligations without the Client's prior consent In Writing.
- 3. If the Client grants its consent as provided in paragraphs 1 and 2 of this article, it may attach conditions to such consent. Even if the Client has granted its consent, the Contractor will remain fully responsible and liable to the Client for the proper performance of its obligations under the Agreement and/or any ensuing agreement.
- 4. In urgent cases and, furthermore, if after consultation with the Contractor it should reasonably be assumed that the latter can or will not, or not punctually or properly, perform its obligations under the Agreement, the Client may require that the Contractor subcontract performance of all or part of the Agreement to one or more third parties to be designated by the Client, all at the Contractor's expense and risk. The foregoing will not release the Contractor of its obligations under the Agreement.

Article 15: Applicable Law and Dispute Resolution

- 1. The enquiries, offers, Assignments and Agreements, and the performance thereof, as well as these Conditions themselves, will be governed by the laws of the Netherlands, excluding the Convention on International Sales of Goods 1980.
- 2. These Conditions have in any event, but not exclusively, been drawn up in the Dutch language. In the event of a dispute as to the substance and purport of these Conditions, the Dutch text and its interpretation according to the laws of the Netherlands will be binding only.
- 3. For purposes of interpretation of international commercial terms, the "Incoterms 2010" as drawn up by the International Chamber of Commerce in Paris, France (I.C.C.), as amended from time to time, will apply.
- 4. Any disputes, including disputes that are considered as such by one of the Parties only, that may arise as a result of, or in connection with, the Agreement governed by these Conditions, or the Conditions themselves and their interpretation or implementation, whether of a factual or of a legal nature, will be decided by the District Court in



Rotterdam, the Netherlands, without prejudice to the Client's right to submit the dispute to the competent court in the district where the Contractor is based. The foregoing will apply without prejudice to the Parties' right to make other arrangements In Writing in respect of the (method of) dispute resolution.

Article 16: Miscellaneous Provisions/REACH

- 1. These Conditions are subject to amendment by the Client. Any such amendments will take effect on the effective date announced, save with respect to Agreements entered into prior to such date. The Client will send the amended Conditions to the Contractor in good time. If no effective date has been communicated, amendments will take effect vis-à-vis the Contractor as soon as it has been notified, or has taken cognizance, of such amendment, save with respect to Agreements entered into prior to such date.
- 2. The Contractor will be entirely independent in the performance of the Agreement. In no event will there be any employment relationship with the Client, representation, etc.
- 3. The Contractor expressly warrants compliance with Regulation No. 1907/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH). The Contractor will particularly ensure that the substances used in preparations or items are registered with the European Chemicals Agency in Helsinki, Finland, as provided in such Regulation. If the Contractor fails to perform its obligations under the Regulation, it will indemnify and hold the Client harmless against any damage, costs, expenses or liability as a result of such failure. Moreover, in the event of any such failure, the Client will be entitled to dissolve the Agreement with immediate effect by giving notice In Writing to the Contractor, without any liability arising on its part to pay damages to the Contractor.



B. Specific Provisions Applicable to the Client's Purchase of Products

Article 17: Scope of Application

In addition to the provisions as set forth under A of these Conditions, the purchase of Products by the Client will be governed by the provisions under B of these Conditions. In the event of conflict between the provisions under A and the provisions under B, the provisions under B will prevail.

Article 18: Prices

Without prejudice to the provisions of article 4, the price agreed between the Contractor and the Client will be based on Delivery Duty Paid (Incoterms 2010), unless agreed otherwise In Writing.

Article 19: Delivery, Delivery Time and Terms of Delivery

- 1. Unless agreed otherwise In Writing, delivery will be based on Delivery Duty Paid (Incoterms 2010) at the Client's. Delivery in consignments will not be permitted, unless expressly agreed otherwise with the Client In Writing.
- 2. The time of delivery of Products will be deemed to be the time of the Client's taking delivery of the Products. Taking delivery of the Products will not constitute acknowledgment of their sound quality.
- 3. The risk of the Products will not pass to the Client until the Client has taken delivery of the Products. In the event that the Client returns the delivery pursuant to article 7, paragraph 2, the risk of the relevant Products will pass back to the Contractor upon despatch by the Client.
- 4. The Contractor will deliver the Products ordered by the Client in accordance with the Assignment issued by the Client. If the Products have been modified or are temporarily unavailable, the Contractor will not deliver any other (alternative) Products, unless expressly agreed otherwise In Writing. The Client is to be notified In Writing of any variation to the Assignment not later than three (3) Workdays prior to delivery.

Article 20: Transport and Risk

- 1. The method of transport, despatch, etc., will, if no further instructions have been given by the Client, be determined by the Contractor acting as a good contractor, with due observance of the applicable statutory rules.
- 2. Transport of Products will be entirely at the Contractor's risk. The Contractor is to take out adequate insurance against such risk.

Article 21: Packing

- 1. The Contractor will properly pack the Products, so as to ensure safe transport of the Products to, and unloading thereof at, the place of delivery.
- 2. The Contractor will be required to take back all packing used, including boxes, crates, loading boards, etc.
- 3. The Contractor is to pack the Products as environmentally-friendly as possible, all with due observance of the applicable laws and regulations, including covenants and decrees.



Article 22: Transfer of Title

- 1. Title and risk in respect of the Products delivered by the Contractor will not pass to the Client until the time of approval of such Products by the Client. The Contractor will indemnify the Client against any infringement by the Contractor or by third parties of the Client's property rights.
- 2. Any goods, such as raw materials, auxiliary materials, tools, drawings, specifications and software, that the Client may make available to the Contractor for the purpose of performance by the Contractor of its obligations will remain the property of the Client. The Contractor will store the relevant goods separate of any goods belonging to the Contractor itself or to any third parties. The Contractor will label any such goods as the Client's property.
- 3. As soon as any good, such as raw materials, auxiliary materials and software, belonging to the Client have been processed in goods of the Contractor, there will be a new good that will be the property of the Client.
- 4. The risk of damage to or loss of the Products, etc., will pass to the Client upon the later of acceptance or actual delivery. Products that have been lost or damaged prior to acceptance or actual delivery other than as a result of fault or negligence on the Client's part are to be replaced or repaired by and at the expense of the Contractor, or the Contractor will fully hold the Client harmless in that respect.

Article 23: Quality, Warranty, Inspection and Spare Parts

- 1. The warranty period for Products, including any installation and/or assembly thereof, will be at least twenty-four (24) months, to be calculated from the time of commissioning by the Client or, in the absence of commissioning, from the time of delivery. Expiry of the warranty period will not prejudice the rights that the Client can derive from the law and the Agreement.
- 2. If the Contractor has shown or provided a model, sample or example, the Products are to be delivered in accordance with the model, sample or example shown or provided. The qualities and properties of the Products to be delivered may, in principle, not differ from the model, sample or example.
- 3. Inspection, checking and/or testing of the Products by the Client or by persons or bodies designated by the Client can take place prior to, during or after performance of the Agreement. The Client will not be under any obligation to inspect, check and/or test the Products upon receipt. The Client may check and/or test the Products at the Contractor's (production) facility.
- 4. If any defects are discovered, the Contractor will be notified In Writing. The Contractor will be required, without reservation, to repair the defects discovered by the Client within a reasonable term or arrange proper replacement, all at the Client's sole option. The Client will retain the right to check the renewed, replacement or improved Products again.
- 5. For Products or parts of Products replaced during the warranty period, the warranty period will take effect again as from the date of delivery of the replacement Product.
- 6. In the event of delivery in consignments, each shipment will be inspected separately. In the event of rejection of a shipment, the Contractor cannot invoke a third party's approval.



- 7. To the extent that, after inspection, the Client does not wish to take delivery of the items from the Contractor, the Client will be entitled to reject such items. The rejected Products will be at the Contractor's disposal for a period of eight (8) Workdays from the third Workday following notice of rejection In Writing. After that, the Products, the Client may either return them at the Contractor's expense and risk or destroy them at the Contractor's expense and risk.
- 8. In the event of rejection of the Products during or after performance of the Agreement, the risks associated with the rejected Products will continue to be borne by the Contractor or will pass to the Contractor with effect from the date of the notice referred to in the foregoing paragraph.
- 9. The Contractor will maintain a stock of spare parts for a term that is reasonable given the nature of the Products delivered, even if it discontinues production or import of such Products. The Contractor will at all times be required to notify the Client as soon as possible In Writing of its intention to discontinue production or import of spare parts, or of its suppliers' intention to discontinue production.



C. Specific Provisions Applicable to the Client's Purchase of Services

Article 24: Scope of Application

In addition to the provisions as set forth under A of these Conditions, the purchase of Services by the Client will be governed by the provisions under C of these Conditions. In the event of conflict between the provisions under A and the provisions under C, the provisions under C will prevail.

Article 25: Agreement and Terms of Delivery

- 1. The Services to be provided will be completed in accordance with the specific description in the Agreement, including any rights and materials to be delivered with the Services by way of a completion protocol In Writing. For purposes of this article, Services will be deemed to include the delivery of all materials and associated auxiliary materials (including personal protective equipment and tools of staff) and documentation, such as an EC declaration of conformity, the technical construction file, the user instructions or manual in the language(s) of the country of use, drawings, test certificates, quality, inspection and warranty certificates, maintenance and instruction booklets with manual and item and safety information, including but not limited to Material Safety Data Sheets (MSDS).
- 2. The time at which the Services are to be completed will be deemed to be the day and time stated in the Agreement. The Services will be deemed to have been provided after approval by the Client In Writing.
- 3. In the event of Services on the basis of a cost-plus contract, weekly timesheets of hours worked will be submitted for approval by the Client. The approved timesheets will be attached as an annex to the invoice. In the event of replacement of staff engaged in the Services to be provided, the costs of transfer of knowledge and induction training given to new staff may not be charged.

Article 26: Staff

- 1. In its relation to the staff deployed by it in respect of the provision of the Services, the Contractor will act in accordance with the applicable laws and regulations and comply with the prevailing terms of employment (including but not limited to the applicable collective bargaining agreement (CAO), if any). The Contractor will record any and all arrangements in respect of terms of employment for the purpose of performance of the Agreement in a transparent and accessible manner. The Contractor will lend its cooperation in any verification, audits or wage validation by the Client. The Contractor will indemnify the Client against any claims from the Contractor's staff pursuant to Art. 7:616a BW.
- 2. The Contractor will promptly notify the Client In Writing in the event of receipt of any complaint or claim from a member of staff or an employees' association in connection with underpayment or an announced or unannounced inspection by a supervisory authority in connection with the Contractor's compliance with the applicable laws and regulations and/or terms of employment as referred to in paragraph 1. The Contractor will inform the Client of the background, details and outcome of any such complaint, claim or inspection. The Contractor will lend its cooperation in any mediation by the Client in order to resolve any complaint or dispute as to underpayment.
- 3. In the event of an Agreement for the provision of Services, the Contractor warrants that the education level, expertise and experience of the staff to be engaged by it in that respect are in accordance with the qualifications expressly stated in the Agreement. All staff to be engaged by the Contractor to perform work on the Client's premises must hold valid SCC certificates. If the Contractor and/or staff are required by a public-law



regulation to hold a permit in connection with the performance of the Agreement, including but not limited to a combined residence and work permit for foreign employees, or any other necessary residence and/or work permit, the Contractor will be required to ensure that such permit is in possession of the Contractor and/or the staff, to notify the Client thereof, and to submit copy of such permit to the Client prior to performance. The Contractor will ensure that all requirements attached to maintenance of such permit are met. The Contractor will be required to notify the Client of any change in connection with such permit. It will notify the Client of any acts that may constitute a violation of the said public-law regulation.

- 4. The Contractor will be liable for any and all damage and/or harm ensuing from (i) any attributable failure to comply with paragraph 3 of this article, and/or (ii) any attributable violation, or alleged violation, of the public-law regulations as referred to in paragraph 3 of this article, including but not limited to the Dutch Foreign Nationals Employment Act [*Wet arbeid vreemdelingen (Wav*]].
- 5. The Contractor will indemnify and keep the Client indemnified against any and all actions, (legal) claims, proceedings, and any and all damage and other liabilities (including but not limited to costs of legal assistance, court registry fees, and monetary fines imposed by a supervisory authority) awarded, suffered, imposed or incurred as a result of, or in connection with, any violation of, and/or failure fully to comply with, the provisions of paragraph 3 of this article or any public-law regulation as referred to in paragraph 3 of this article, including but not limited to the Wav, on the part of the Contractor.
- 6. The staff engaged by the Contractor will fully work under the management, supervision and responsibility of the Contractor. In no event will there be any employment relationship with the Client.
- 7. With respect to the staff, the Contractor will observe all obligations pursuant to the Dutch Working Conditions Act [*Arbeidsomstandighedenwet*] and Article 7:658 BW. The Contractor will indemnify the Client against any claims in that respect.
- 8. The Contractor will ensure that the staff is fully instructed, at least two (2) days prior to commencement of the work, about the applicable safety rules on the Client's premises and any risks associated with the workplace or the work to be performed, as well as the general risks. It is the Contractor's responsibility to monitor and ascertain that the staff observe the regulations and instructions prevailing at the Client's.
- 9. If a staff member suffers an industrial accident or contracts an occupational disease, the Contractor will promptly notify the competent authorities and ensure that a report is drawn up without delay, setting forth the circumstances surrounding the accident or disease in such a manner that it can reasonably be determined if and to what extent the accident or disease is the result of insufficient measures being taken to prevent such an industrial accident or occupational disease.
- 10. The Contractor will compensate the staff for all damage (such as costs including the actual costs of legal assistance) to be incurred by the staff in the performance of the Agreement, including damage to the relevant staff member's property, unless the damage is substantially attributable to intentional act or wilful recklessness on the part of the staff. The Contractor will indemnify the Client against any claims of staff in that respect.
- 11. Without prejudice to the foregoing and the provisions of article 9 of these Conditions, the Client will not be liable for any damage as a result of non-performance of obligations



by the staff and/or damage directly or indirectly caused by acts of the staff. The Contractor will indemnify the Client against any claims in that respect.



D. Specific Provisions Applicable to the Supply of Staff to the Client

Article 27: Scope of Application

In addition to the provisions as set forth under A of these Conditions, the Supply of Staff to the Client will be governed by the provisions under D of these Conditions. In the event of conflict between the provisions under A and the provisions under D, the provisions under D will prevail.

Article 28: Performance of the Agreement

- 1. The Agreement will state the staff to be engaged, as well as descriptions, specifications, conditions and further terms of the Deliverables to be provided by the Contractor.
- 2. By signing the Agreement, the Contractor undertakes to supply the agreed staff for the agreed term and for performance of the agreed work. The Contractor will ensure that the staff to be supplied is at all times fully aware of the agreed work.

Article 29: Staff

- 1. For the purpose of performance of the Agreement the Contractor will designate only reliable and qualified staff (*inter alia* in terms of education, expertise and experience) in any event suitable to perform the agreed work, fitting the team within which the staff will be engaged, and authorized to perform work. The staff will have sufficient command of the Dutch and/or English language, both orally and In Writing, properly to be perform the work.
- 2. The Contractor undertakes to engage staff that has, and will continue to have, the agreed qualities in terms of education, expertise and experience.
- 3. The Contractor will replace staff only in the event of serious reasons on the Contractor's part. Any replacement will require the Client's prior consent In Writing. The Client may attach conditions to such consent. In no event may the costs of transfer of knowledge and induction training given to new staff be charged.
- 4. In the event of replacement of staff, the Contractor will supply staff of at least the same level as that of the staff engaged, in terms of expertise, education level and experience, without any additional costs for the Client.
- 5. The Contractor will promptly notify the Client of any permanent or temporary change in availability of the staff engaged. This will include but not be limited to sickness, death or termination of the employment or other relationship between the Contractor and the staff.
- 6. In the event of prolonged sickness (exceeding a period of two (2) weeks) of the staff engaged, or in the event of early termination of the engagement of the Contractor's staff, the Client may require the Contractor to supply replacement staff as soon as possible but not later than within five (5) Workdays, unless a different term is agreed In Writing. If the Contractor cannot meet this requirement, the Client will be entitled to dissolve all or part of the Agreement with immediate effect, without any liability arising on its part to pay damages.
- 7. The Client reserves the right to withhold or revoke its consent to the engagement of certain staff members of the Contractor if necessary in the Client's opinion.
- 8. If, at the Client's sole discretion, any Contractor staff is not, or no longer, willing or able properly to perform the work, and proper performance of the Agreement requires replacement of staff, the Client may require the Contractor promptly, but not later than



within five (5) Workdays, to replace the relevant staff member, in which event the provisions of paragraph 4 of this article will apply *mutatis mutandis*. If the Contractor cannot meet this requirement, the Client will be entitled to dissolve or give notice of termination of all or part of the Agreement with immediate effect, without any liability arising on its part to pay damages.

9. If the staff supplied by the Contractor is guilty of misconduct, theft or improper use of Client property, as well as if the staff supplied fail to observe the safety instructions given by the Client, the relevant staff member will be denied occupation of and access to the Client's premises with immediate effect, and the relevant staff member will, on the Client's demand, return any Client business property. Furthermore, the relevant conduct will be reported to the police, if applicable. The foregoing will not affect the Contractor's responsibility for performance of the Agreement.

Article 30: Facilities to be Made Available/Working Conditions

- 1. The Client will enable the Contractor's staff properly to perform the work and will, unless agreed otherwise In Writing, provide the Contractor's staff with adequate work space, clothing, equipment, materials, tools and information, at no cost, to the extent necessary for the proper performance of the work. Any information, clothing, equipment, resources and documents, including the intellectual property rights therein, made available by the Client to the Contractor and the staff will remain the property of the Client.
- 2. The Contractor will be responsible for compliance by the staff with the Client's applicable instructions with respect to the working conditions. The Contractor will ensure that the staff is aware of such instructions. The Contractor will be required to notify the Client of any circumstances violating the applicable instructions with respect to working conditions. The Contractor will indemnify the Client against any claims ensuing from failure by the staff to observe the Client's applicable instructions on working conditions or from failure, or failure punctually, to report any violations thereof.
- 3. If it has been agreed that the Contractor is responsible for any items as referred to in paragraph 1 of this article, the Client may inspect and test such items. Such inspection or testing, or the absence thereof, will not affect the Contractor's liability for performance of the work or for compliance with statutory regulations. The Contractor will indemnify the Client against any claims ensuing from the use of the items made available by it.
- 4. If any items as referred to in paragraph 1 of this article are not immediately returned, or are returned defectively, upon completion of the work, the Client may promptly charge the replacement value or the costs of repair.

Article 31: Access and Security

- 1. The Contractor will ensure that the staff observe the guidelines, instructions and procedures, including the internal regulations, issued by or on behalf of the Client in respect of access and security.
- 2. The Client may require the prior submission of certificates of good conduct with respect to the staff to be engaged by the Contractor pursuant to the Agreement.
- 3. The Client may at all times subject the staff performing work on the Client's premises to a security check. The Contractor will render its full cooperation in any such check. The Client may, based on the outcome of any such security check, without stating its reasons, refuse the engagement of the relevant staff member in the performance of the Agreement.



4. The Client may deny Contractor staff members access to Client premises, if the relevant staff members refuse to subject the items carried to a check. Any such refusal will not affect the Contractor's responsibility for performance of the Agreement.

Article 32: Working Hours

- 1. The work will be performed on the Client's premises within the working hours set by the Client during Workdays, unless expressly provided otherwise in the Agreement. Exclusively for purposes of this article, Workdays will be deemed to include the collective days off designated by the Client.
- 2. If so required by the Client, the Contractor will impose on the staff the obligation to use a clock card, badge or other device for the purpose of monitoring working hours.
- 3. Commuting hours will not be considered working hours.
- 4. The days on which the staff may take time off will be determined by mutual consultation between the Client and the Contractor. The staff will notify the Client of their intention to take time off as soon as possible. No payment will be due by the Client in respect of days off taken by staff.
- 5. Any work performed outside Workdays and working hours as referred to in paragraph 1 of this article will be considered overtime. Any work performed immediately following the hours referred to in paragraph 1 of this article and not exceeding 30 minutes will in any event not be considered overtime. Overtime will be performed or paid only with the Client's prior consent In Writing.

Article 33: Employment Relationship with Staff

- 1. If the Contractor engages staff in its employ (either pursuant to an employment agreement or pursuant to a temporary employment agreement [*uitzendovereenkomst*] in the performance of the Agreement, such staff will remain in the Contractor's employ throughout the performance of the Agreement. The Contractor warrants vis-à-vis the Client the punctual and full payment of all taxes and contributions of any nature whatsoever that may be due in respect of the staff supplied by it. The Contractor will indemnify the Client against any claims, additional assessments and penalties and interest as a result of the Contractor's failure, or failure punctually or fully, to perform such obligations.
- 2. If the Contractor engages staff in the performance of the Agreement, which it does not employ, it will require the prior Written consent of the Client. The Client will be entitled to attach conditions to such consent, also as security for performance of its obligations vis-à-vis third parties, if any, including but not limited to the Tax and Customs Administration [*Belastingdienst*] and the social security administration agency [*uitvoeringsinstelling*].
- 3. The performance of the Agreement will not create any employment relationship between the staff and the Client. The Contractor will indemnify the Client against any claims from staff supplied by the Contractor in respect of the creation of an employment relationship with the Client.
- 4. In the unlikely event that the Client is considered to be the withholding agent in respect of social security contributions, payroll tax or any tax whatsoever, the Client will be entitled to recover the full amount thus paid by it, including penalties and interest, if any, from the Contractor.



5. If the Client is likely to be liable to pay amounts to the Tax and Customs Administration and/or the social security administration agency pursuant to paragraph 4 of this article, the Client may set off such amounts against the payment due by it.

Article 34: Conditions, Permits, Registration, Identification

- 1. In its relation to the staff deployed by it in respect of the provision of the Services, the Contractor will act in accordance with the applicable laws and regulations and comply with the prevailing terms of employment (including but not limited to the applicable collective bargaining agreement (CAO), if any). The Contractor will record any and all arrangements in respect of terms of employment for the purpose of performance of the Agreement in a transparent and accessible manner. The Contractor will lend its cooperation in any verification, audits or wage validation by the Client. The Contractor will indemnify the Client against any claims from the Contractor's staff pursuant to Art. 7:616a BW.
- 2. The Contractor will promptly notify the Client In Writing in the event of receipt of any complaint or claim from a member of staff or an employees' association in connection with underpayment or an announced or unannounced inspection by a supervisory authority in connection with the Contractor's compliance with the applicable laws and regulations and/or terms of employment as referred to in paragraph 1. The Contractor will inform the Client of the background, details and outcome of any such complaint, claim or inspection. The Contractor will lend its cooperation in any mediation by the Client in order to resolve any complaint or dispute as to underpayment.
- 3. If the Contractor and/or staff are required by a public-law regulation to hold a permit in connection with the performance of the Agreement, including but not limited to a combined residence and work permit for foreign employees or any other necessary residence and/or work permit, the Contractor will be required to ensure that such permit is in possession of the Contractor and/or the staff, to notify the Client thereof, the Contractor will be required to notify the Client and to submit copy of such permit to the Client prior to performance. The Contractor will ensure that all requirements attached to maintenance of such permit are met. The Contractor will be required to notify the Client of any change in connection with such permit. It will notify the Client of any acts that may constitute a violation of the said public-law regulation. All staff to be engaged by the Contractor to perform work on the Client's sites must hold valid SCC certificates.
- 4. The Contractor will be liable for any and all damage and/or harm ensuing from (i) any attributable failure to comply with paragraph 3 of this article, and/or (ii) any attributable violation, or alleged violation, of the public-law regulations as referred to in paragraph 3 of this article, including but not limited to the Wav.
- 5. The Contractor will indemnify and keep the Client indemnified against any and all actions, (legal) claims, proceedings, and any and all damage and other liabilities (including but not limited to costs of legal assistance, court registry fees, and monetary fines imposed by a supervisory authority) awarded, suffered, imposed or incurred as a result of, or in connection with, any violation of, and/or failure fully to comply with, the provisions of paragraph 3 of this article or any public-law regulation as referred to in paragraph 3 of this article, including but not limited to the Wav, on the part of the Contractor.
- 6. The Contractor will, upon commencement of the Agreement, provide a recent copy of the listing in the Trade Register. The Contractor will ensure that, for the term of the Agreement, an entry will be made in the Trade Register about the supply of staff (Dutch Placement of Personnel by Intermediaries Act [*Wet allocatie arbeidskrachten door intermediairs*]. The foregoing will also apply to any party from which the Contractor hires



staff. Any penalties as a result of failure, or failure properly, to be registered will be payable by the Contractor.

7. The Contractor will, upon commencement of the Agreement, take the necessary measures in order to enable the Client to verify the identity of the staff members engaged.

Article 35: Obligations Pursuant to Anti-Abuse Legislation

- 1. The Client may require provision by the Contractor, and inspection, of the payment history to the Tax and Customs Administration and the social security administration agency and, if so desired, copies of the certificates with respect to the payment history to the Tax and Customs Administration and the social security administration agency.
- 2. The Contractor will, on the Client's demand, give the latter full access to the accounting records that the Contractor is to keep pursuant to public-law regulations in connection with the performance of the Agreement.
- 3. On the Client's demand, the Contractor will open a G-account. The Client will thereby be entitled to suspend the payment obligation vis-à-vis the Contractor until such G-account has been opened. The Contractor grants the Client the right to transfer an amount equal to the payroll tax, social security contributions and turnover tax component of each of the Contractor's invoices directly to such G-account, such payroll tax, social security contributions and turnover tax component to be determined at the Client's discretion. Transfer to the G-account will discharge the Client in respect of payment to the Contractor for the amount of the transfer.
- 4. The Contractor hereby grants the Client the right to transfer an amount equal to the payroll tax, social security contributions and turnover tax component of each of the Contractor's invoices directly to the Tax and Customs Administration, such payroll tax, social security contributions and turnover tax component to be determined at the Client's discretion. Such direct transfer will discharge the Client in respect of payment to the Contractor for the amount of the transfer.

Article 36: Rates

- 1. The rates due by the Client to the Contractor in respect of the staff engaged will be charged to the Client in arrears for the period stated in the Agreement.
- 2. The rates due by the Client to the Contractor will be computed based on the actual number of hours worked and the hourly or daily rates for the relevant staff according to the Agreement. No payment will be due by the Client for any holidays, sick days and/or other days of absence and/or medical expenses.
- 3. The number of hours worked by each staff member will be shown by the timesheets to be completed for each staff member on a weekly basis. The timesheets will be signed by the Client to indicate approval. In the event of rejection of the sheets by the Client, the Parties will consult.
- 4. The Parties expressly agree that no commuting hours will be charged. The Agreement may stipulate that any travel expenses (from the workplace to a third party and *vice versa*) will be reimbursed by the Client based on mileage.

Article 37: Liability

The Contractor will be liable to the Client for any failure and/or damage caused by staff supplied by the Contractor to the Client only in the event of attributable failure and/or wrongful act on



the part of the Contractor in the context of the Agreement. In addition, the Contractor will be liable to the Client if the staff does not hold the correct permits and registrations.



E. Specific Provisions Applicable to the Performance of Work

Article 38: Scope of Application

In addition to the provisions as set forth under A of these Conditions, the performance of Work by the Contractor will be governed by the provisions under E of these Conditions. In the event of conflict between the provisions under A and the provisions under E, the provisions under E will prevail.

Article 39: Performance of the Agreement

- 1. Performance of the Agreement will in any event be in accordance with the Client's Schedule of Requirements, the Client's HSE Plan, and all other documents, such as procedures, specifications, drawings, standards, etc., as provided by the Client to the Contractor. In the event of conflict between the provisions of the Client's Schedule of Requirements, the Client's HSE Plan, and any of the other documents, such as specifications, drawings, standards, etc., the provisions of the Schedule of Requirements will prevail, followed by the HSE Plan, and finally by all other documents, such as procedures, specifications, drawings, standards, etc.
- 2. The Agreement is an agreement to produce a certain result [*resultaatsovereenkomst*]. The Work will be fully in compliance with all the requirements set as well as those of sound quality and good workmanship. The Contractor is fully aware of all the Client's requirements and wishes and the purpose for which the Project is realized. The Contractor declares that it is pre-eminently fit to realize the Project and warrants vis-à-vis the Client that the Project will be punctually completed and will be fully in compliance with all the requirements set and to be set.
- 3. The Project is to be completed on or before the agreed date, and any defects discovered during inspection by or on behalf of the Contractor and/or the Client are to be remedied by such date. Any minor defects, at the Client's discretion, that do not hinder or preclude proper and safe use of the Project and that may be remedied within one month of inspection, will not preclude the establishment that the Project has been completed. The Contractor will be required to remedy any such minor defects discovered during inspection, which have been recorded in a "snagging list", within one (1) month, at no cost.
- 4. Any request by the Contractor to change the completion period is to be submitted to the Client In Writing, stating arguments, as soon as possible, but not later than within two (2) Workdays once the Contractor expects that the completion period will not be met. Good ground for changing the completion period will be deemed to be only non-attributable delay caused by: (i) failure by the Client to perform an obligation imposed on the Client, including but not limited to failure punctually to provide the documents referred to in the Schedule of Requirements, if this affects the completion period and if so notified by the Contractor In Writing within three (3) Workdays; (ii) instructions by the Client to make substantial changes to the Project or the order of performance.
- 5. If the Client is under the impression that, for any reason whatsoever, the Project may not be punctually completed, the Contractor will, on the Client's demand, give the latter full access to the progress and planning of the current Work.
- 6. If the Client is of the opinion that the available staff and facilities will not be able to meet the agreed terms, so that additional staff, the introduction of additional shifts or overtime (including working on Sundays) or other measures are required in order to warrant punctual completion, the Contractor will comply with such requirement on the Client's part as soon as possible, without any entitlement arising on the Contractor's part to additional payment.



Article 40: Further Provisions on Performance of the Agreement

- 1. Prior to commencement of performance of the Work, the Contractor is to form an independent and complete opinion on the Building Site, compare it to the contractual documents, and investigate the circumstances under which the work is to be performed and the Project is to be realized.
- 2. The Contractor will periodically, as well as whenever the Client communicates that it so desires, organize and attend project meetings. During performance of the Work, the Contractor will keep the Client informed of the progress of its activities by way of an implementation plan and reports In Writing at intervals of four (4) weeks. Such reports are to be drawn up per period of four (4) weeks within one (1) week of the end of the period to which it relates. If the Client so requests, for any reason whatsoever, the reporting frequency will be increased.
- 3. The implementation plan will include a detailed HSE Plan in respect of the effective collaboration between the Contractor and the Client in order to ensure, *inter alia*, compliance with the obligations imposed on them as employers pursuant to the Working Conditions Act [*Arbeidsomstandighedenwet*]. The Client will, in line with the Working Conditions Act, appoint a H&S coordinator in order to set up and follow-up on the "AVR format HSE Plan" in consultation with the Contractor. The HSE Plan is to be approved by the Client prior to commencement of performance of the Work and, furthermore, to be signed by the Contractor. The HSE Plan will include:
 - a summary of the participants involved in the Project (Client, Contractor, subcontractor, and ancillary contractors, if any), and the nature and amount of time spent by their primary responsible officers;
 - the person responsible, as the coordinator, for monitoring implementation of the HSE Plan and the person responsible for the provision of information to the primary responsible officers;
 - arrangements as to measures to be taken and procedures to be followed, based on an inventory of the work to be performed. The measures and procedures included in the HSE Plan will be in line with the requirements of the Client's environmental quality assurance plan to the extent possible. In the event of conflict or obscurities, the provisions of the environmental quality assurance plan will prevail over the provisions of the HSE Plan. In the event of changes to the implementation plan, and furthermore whenever there is reason to do so for purposes of good working conditions policy, interim changes will be made to the HSE Plan. The Contractor warrants vis-à-vis the Client that the obligations ensuing from the HSE Plan will also be complied with by its subcontractors, if any. This warranty will fully apply in the event of interim changes to the HSE Plan.

Article 41: Contract Variations

- 1. The Client may increase the scope of the Work without any additional costs being charged by the Contractor if the change does not exceed a value of EUR 5,000, subject to a maximum equal to 5% of the contract price. The variation is to be recorded in an Assignment In Writing but will be without prejudice to the remaining provisions of the Agreement. If any Work already performed is to be performed again for reasons not attributable to the Contractor, such Work will be reimbursed as a variation by way of a separate Assignment In Writing. Any variations and adjustments ensuing from the normal development of the designing process will form part of the Agreement.
- 2. The Contractor will inform the Client, not later than five (5) Workdays following establishment of the nature of the proposed variations, whether the variations justify



additional payment, failing which the variations will be deemed not to entail any additional costs.

- 3. With respect to the price of increased or reduced work, a list of rates and material unit prices attached to the Agreement will be used. If such pricelist does not provide for the relevant increase or reduction, the Client may express the wish to set a fixed price or a fee based on time spent and costs incurred, or any other form of reimbursement that the Client may deem appropriate under the circumstances.
- 4. Variations will not be implemented until after the Client has given an Assignment In Writing. In the event of variations, the Contractor will be required to use the Client's standard form.

Article 42: Design, Delivery, Assembly and Checks

- 1. All materials must be of such composition and have undergone such treatment that the Project can withstand both long-term continuous use and intermittent use. The Project must perform reliably, smoothly and without bothersome vibrations at loads and in operating modes as recorded in the design data. The Project must be construed and carried out such that it can easily be cleaned, maintained and repaired.
- 2. Any drawings, workshop drawings and other documents created by the Contractor will be presented to the Client at such times and in accordance with such requirements as determined in the Agreement. Any drawings etc. by subcontractors will be verified by the Contractor before presentation to the Client. The assessment of drawings etc. by the Client will not in any way whatsoever release the Contractor of its responsibility for the correctness thereof and its obligation fully to perform the Agreement.
- 3. Any work by the Client will be strictly limited to that agreed between the Parties. The Contractor will arrange its own personal protective equipment (PPE), tools, building and assembly equipment. Title to any items that will form part of the Project will, to the extent necessary, be transferred to the Client. Supply on the Building Site will be deemed to constitute transfer of title to the Client. The Contractor will at all times have an authorized representative available on the Building Site to represent it without any restrictions. The Contractor will punctually notify the Client In Writing of the person who will act as authorized representative.
- 4. The Contractor will punctually engage sufficient expert, experienced and skilled staff members of its own, with the required qualifications as expressly stated in the Agreement, in order properly and punctually to perform the Work. The details of the key persons in respect of a Project will be subject to prior approval by the Client In Writing. The Contractor will not withdraw any staff from the Project without the prior consent of the Client In Writing.
- 5. The Contractor will be responsible for transport to, from and on the Building Site and for storage, protection and security. The Contractor will be responsible for safety during the performance of the Project and will take all such measures as may be necessary to protect the Project, its staff and any other persons, as well as its own property and that of the Client and third parties, against injury, sickness, accident and damage. To that end, the Contractor will, as part of the implementation plan, in any event draw up the HSE Plan referred to above. The Client may set additional safety requirements and/or give instructions in that respect.
- 6. The Contractor is to allow the performance of work by or on behalf of the Client on or near the Building Site. Any obstructions, inconveniences or waiting times as a result



will not give rise to an extension of the term within which the Project is to be completed or entitle the Contractor to any financial compensation.

- 7. The Contractor will, at its own expense, arrange sufficient housing, dressing rooms, sanitary facilities, cafeteria facilities, storage rooms and conveyors on the Building Site within the area designated by the Client and also otherwise in accordance with the instructions of the Client. The Contractor will, at its own expense, also arrange the telephone and internet connections necessary to carry out the Project. The Contractor may not use any facilities to the extent belonging to the Client.
- 8. From commencement of the Work until signing of the "Provisional Takeover Protocol", the Contractor will arrange cleaning and keeping the Building Site in order, as well as disposal and, if necessary, treatment of, or cause third parties to treat, materials and waste, at its expense and risk, to the extent resulting from its Work, or at a location approved by the Client where it will be dumped or treated in an environmentally sound manner.
- 9. Inspection and checks will take place as indicated in the Agreement. The Contractor will give, or cause third parties to give, the Client and its employees access to all workplaces where the Work is being performed and provide the Client with all the necessary data at no cost.
- 10. The Client may require the submission of material and/or calibration certificates of the equipment used, and will be entitled to cause the use of all or part of the measuring instruments to be made available by the Contractor in the checks.
- 11. The costs of the required checks, including but not limited to equipment, instruments, electrical energy, and the required staff, but excluding the costs of representatives and/or staff of the Client and the costs of measuring instruments to be made available by third parties at the Client's request, will be payable by the Contractor. The foregoing will also include the costs of checks in advance. The Contractor will bear the risk of damage to or loss of materials, parts, etc., as a result of the required checks. Any checks that are not mandatory but are carried out solely at the Client's request will be payable by the Client; any consequences ensuing from such checks for the delivery period may be accepted only if communicated by the Contractor to the Client In Writing in advance.
- 12. Any parts not found to be in compliance with the Agreement will be rejected by the Client. In the event of rejection, the Contractor will be required to cause the check to be repeated until full approval has been obtained. Any replacement, repair or improvement that may be required according to a check will immediately be carried out at the expense of the Contractor.
- 13. The Client may require that one or more of the required checks will be carried out at third-party laboratories. In such event all additional costs associated with the checks, including those of transport, will be payable by the Client and the Contractor will exclusively bear the risk of damage to or loss of the parts checked as a result of non-compliance with the requirements set.
- 14. If requirements have been set that cannot be verified by way of one of the required checks, the Contractor will have to demonstrate, based on computations or otherwise, that the relevant requirements have been met.
- 15. As soon as the Work has been finished, the Contractor will notify the Client In Writing. Subsequently, they will carry out a joint inspection. A "Completion of Assembly



Protocol" (or similar document) will be drawn up of such inspection by the Contractor to be signed by both Parties. Any defects discovered which, in the Client's opinion, do not preclude signing of the protocol, as well as the term within which such defects are to be remedied in the Client's opinion will be stated in the protocol.

- 16. After completion of the Project as specified in the Schedule of Requirements, all technical assessments, the implementation plan, and all defects to the extent discovered during inspection have been remedied to the Client's satisfaction, the Contractor will draw up a "Completion Protocol" (or similar document), which will be signed by both Parties. Subsequently, the Contractor will, to the Client's satisfaction, draw up an "End of Cold IBS Protocol" (or similar document), which will be signed by both Parties.
- 17. The operational condition of the Project will be tested during an operational demonstration. The operational demonstration will take place in such manner and at such time as determined in the Schedule of Requirements.
- 18. If the operational demonstration shows that the requirements set have been met, and if the Project is also in compliance with all the other requirements set in the Agreement, the Project will be provisionally taken over by the Client and a Provisional Takeover Protocol (or similar document) drawn up by the Contractor will be signed by both Parties.
- 19. The risk of the Project will pass from the Contractor to the Client upon signing of the Provisional Takeover Protocol.
- 20. If all the conditions have been satisfied, at the end of the warranty period a "Final Takeover Protocol" (or similar document) drawn up by the Contractor will be signed by both Parties.

Article 43: Warranty

- 1. The Contractor warrants the use of the proper materials which, without exception, are new and unused, as well as proper construction, building method and performance of the Project. Furthermore, the Contractor warrants proper operation, so that agreed warranty values can be realized and the warranted properties met, all in accordance with the Schedule of Requirements.
- 2. The Contractor's warranty obligation, responsibility and liability are not limited by any approval or comments given by the Client on computations, drawings, performances, etc.
- 3. If any part of the Project is not in compliance with the Agreement, the Contractor will, at its own expense, immediately take such measures as are necessary to bring the Project in line with the Agreement. If defects are not remedied or improvements are not made within the agreed term, or if it is foreseeable that this will be the case, the Client will be entitled to perform, or cause third parties to perform, such work at the Contractor's expense after notice In Writing, without any consent or authorization being required. In this respect, the Client will be entitled to use all resources at the Contractor's disposal.
- 4. The warranty period will take effect upon signing of the "Provisional Takeover Protocol". The term of the warranty period will be stated in the Agreement but will be at least twenty-four (24) months.



- 5. For parts of the Project replaced during the warranty period, the warranty period will take effect again as from the date of first operational use of the replacement part.
- 6. The Agreement will state the warranted properties. This will be demonstrated by way of warranty tests by and at the expense of the Contractor and in the presence of the Client, in such manner and at such times as are stated in the Agreement.

Article 44: Staff

- 1. In its relation to the staff deployed by it in respect of the provision of the Services, the Contractor will act in accordance with the applicable laws and regulations and comply with the prevailing terms of employment (including but not limited to the applicable collective bargaining agreement (CAO), if any). The Contractor will record any and all arrangements in respect of terms of employment for the purpose of performance of the Agreement in a transparent and accessible manner. The Contractor will lend its cooperation in any verification, audits or wage validation by the Client.
- 2. The Contractor will promptly notify the Client In Writing in the event of receipt of any complaint or claim from a member of staff or an employees' association in connection with underpayment or an announced or unannounced inspection by a supervisory authority in connection with the Contractor's compliance with the applicable laws and regulations and/or terms of employment as referred to in paragraph 1. The Contractor will inform the Client of the background, details and outcome of any such complaint, claim or inspection. The Contractor will lend its cooperation in any mediation by the Client in order to resolve any complaint or dispute as to underpayment.
- 3. In the event of an Agreement for the provision of Services, the Contractor warrants that the education level, expertise and experience of the staff to be engaged by it in that respect are in accordance with the qualifications expressly stated in the Agreement. All staff to be engaged by the Contractor to perform work on the Client's premises must hold valid SCC certificates. If the Contractor and/or staff are required by a public-law regulation to hold a permit in connection with the performance of the Agreement, including but not limited to a combined residence and work permit for foreign employees, or any other necessary residence and/or work permit, the Contractor will be required to ensure that such permit is in possession of the Contractor and/or the staff, to notify the Client thereof, and to submit copy of such permit to the Client prior to performance. The Contractor will ensure that all requirements attached to maintenance of such permit are met. The Contractor will be required to notify the Client with such permit. It will notify the Client of any acts that may constitute a violation of the said public-law regulation.
- 4. The Contractor will be liable for any and all damage and/or harm ensuing from (i) any attributable failure to comply with paragraph 3 of this article, and/or (ii) any attributable violation, or alleged violation, of the public-law regulations as referred to in paragraph 3 of this article, including but not limited to the Wav.
- 5. The Contractor will indemnify and keep the Client indemnified against any and all actions, (legal) claims, proceedings, and any and all damage and other liabilities (including but not limited to costs of legal assistance, court registry fees, and monetary fines imposed by a supervisory authority) awarded, suffered, imposed or incurred as a result of, or in connection with, any violation of, and/or failure fully to comply with, the provisions of paragraph 3 of this article or any public-law regulation as referred to in paragraph 3 of this article, including but not limited to the Wav, on the part of the Contractor.



Article 44: Vicarious Tax Liability

- 1. The Client will keep such records that the wage bill [*loonsom*] can be determined for each project. The Client will at all times be entitled to verify such records. The Contractor will state the actual wage costs in each invoice.
- 2. The Client will be entitled to pay the withholding taxes for which it is jointly and severally liable pursuant to the Dutch Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act [*Wet ketenaansprakelijkheid*] to the Contractor by way of transfer of the relevant amount to the Contractor's blocked account within the meaning of the Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act (the G-account), such withholding taxes to be determined in the Client's discretion. Furthermore, the Client may pay the withholding taxes directly to the Tax and Customs Administration, such withholding taxes to be determined in the Client's discretion. Such direct transfer (either to the G-account or otherwise) will discharge the Client in respect of payment to the Contractor for the amount of the transfer.
- 3. If the Agreement is subject to the "VAT reverse-charge mechanism" [*verleggingsregeling BTW*], the Contractor will state this in each of its invoices.
