

GENERAL PURCHASING TERMS AND CONDITIONS

Article 1 Definitions

The terms and expressions below are defined as follows for the purposes of these purchasing terms and conditions:

- *client*: PA Verwater Beheer B.V. and all the legal entities affiliated with it, users of these purchasing terms and conditions;
- *supplier*: the client's counterparty;
- *agreement*: the arrangements set down in writing between the client and supplier concerning the delivery of items;
- *delivery*: the placement of one or more items into the possession or under the power of the client and/or any installation / assembly of these items;
- *items*: the goods to be delivered and services to be performed;
- *parties*: the client and the supplier.

Article 2 Applicability

- 2.1 In the event of contradictions between documents, any agreements and special obligations agreed between the parties prevail over these purchasing terms and conditions.
- 2.2 These general purchasing terms and conditions apply to all agreements for the supplier's delivery of items and/or performance of services to or for the client to the exclusion of any general sales and/or delivery terms and conditions of the supplier. These terms and conditions set aside any earlier written or oral agreements, arrangements or notifications between the parties, including any general sales and/or delivery terms and conditions of the supplier. Deviations from these terms and conditions apply only if they have been explicitly confirmed by the client in writing. To the extent applicable, the term delivery is understood to denote the delivery of goods and/or performance of services.

Article 3 Establishment of an agreement

- 3.1 An agreement is established if the client places a signed, written order with the supplier and this order is accepted by the supplier. In addition to explicit acceptance, an order from the client is also regarded as accepted by the supplier if the supplier does not inform the client within 10 days that it does not accept the particular order. The supplier's acceptance of an order from the client also entails acceptance of these terms and conditions as part of the purchase agreement.
- 3.2 If a master agreement is used, an agreement is established each time the order for a (partial) delivery within the context of the master agreement is sent by the client. A master agreement is defined for the purposes of these general purchasing terms and conditions as a long-term or annual arrangement between the client and supplier concerning prices and conditions for items and/or services to be supplied by the supplier, without this constituting a purchase obligation for the client or a delivery obligation for the supplier.
- 3.3 The client is authorised to change the size and/or quantity of the items to be supplied at any time, in consultation with the supplier.
- 3.4 The client is not bound by changes to the order or to the assignment proposed and/or made by the supplier after the order is placed, nor by the consequences of such a change unless this change and these consequences have been accepted in writing by the client.
- 3.5 If the client makes a change to an order after placing it with the supplier and the supplier deems that this change has consequences for the agreed fixed price and/or delivery time, before following through on the change the supplier is required to notify the client of this in writing, as soon as possible but no later than within 8 working days after notification of the desired change.
- 3.6 If the client feels these consequences for the price and/or delivery time are unreasonable, the parties must discuss the matter.

Article 4 Prices

- 4.1. The prices are excluding VAT, but including all costs in connection with the supplier's compliance with its obligations.
- 4.2 The rates and prices offered by the supplier are binding for the supplier.
- 4.3 The agreed prices are fixed and non-deductible and exclude VAT unless explicitly stated otherwise in the agreement.

Article 5 Packaging

- 5.1 The items must - insofar as necessary - be properly packaged and marked and must reach their destination in good condition assuming normal transport. The supplier is liable for damage caused by inadequate (transport) packaging.
- 5.2. The client has the authority at any time to return packaging materials to the supplier or request that the supplier take back packaging materials.
- 5.3 The return sending of packaging materials takes place at the expense and risk of the supplier to the supplier's delivery address.
- 5.4 The processing or destruction of (transport) packaging material is the supplier's responsibility. If packaging material is processed or destroyed at the supplier's request, this takes place at the supplier's expense and risk.

Article 6 Delivery

- 6.1 Delivery takes place at the delivery location agreed upon in writing, promptly at the delivery time and/or within the delivery period and/or according to the applicable Incoterm DDP (Delivered Duty Paid).
- 6.2 Without prejudice to the client's right to demand compliance with the agreement or the client's rights under the provisions of article 20, the client has the authority to fine the supplier up to maximum 5% of the purchase price of the whole order, with a minimum amount of € 1,000, for every failure by the supplier in relation to the provisions of these terms and conditions, without prejudice to any right of the client to compensation of damage suffered.
- 6.3 As soon as the supplier knows or should know that the delivery shall not take place, or shall not take place properly or on time, it must immediately inform the client of this in writing with mention of the circumstances that have resulted in this failure.
- 6.4 Without prejudice to the client's rights under the provisions of article 20, the parties will discuss whether, and if so, how the situation can yet be resolved to the client's satisfaction.
- 6.5 If for any reason whatsoever the client is unable to receive the goods at the agreed time via the schedule set in advance, the supplier will store and secure the goods and take all reasonable measures to prevent any deterioration in quality until they are delivered. The client will then be liable to pay reasonable compensation of the costs for the supplier's trouble.
- 6.6 In this article delivery is also understood to include partial delivery.
- 6.7 The inspection, checking and/or testing of items by or on behalf of the client does not mean that the items have been delivered or accepted.

Article 7 Quantity

Unless the agreement explicitly states that the quantities are non-deductible, the quantities cited in the order are stated as accurately as possible and if the client requests more or fewer items, these adjusted quantities must be delivered, without the supplier being entitled to request price adjustments per unit.

Article 8 Acceptance and rejection

- 8.1 The delivery is not regarded as accepted by the client until it has been approved. The client has the right to reject the delivered items up to 14 days after the delivery date, so that no other deadlines for submission of a complaint, if and to the extent the supplier applies any such deadlines, apply with regard to the client.
- 8.2 Approval and acceptance only apply to the quantity and the outward appearance of the items delivered. If the items are delivered packaged and bundled together, then the approval and acceptance only apply to the quantity and outward appearance of the packaging.
- 8.3 The client has the right to suspend payment for rejected goods and to refuse to pay at all if it rejects the goods a second time after repair or replacement by the supplier.

Article 9 Quality, guarantee, inspection

- 9.1 The supplier guarantees that the items and any installation/assembly thereof answer to what has been agreed.
- 9.2 The supplier guarantees that the items are entirely complete and ready for use. It ensures that, among other things, all parts such as ancillary materials, tools, spare parts and instruction

booklets necessary for realising the goal indicated in writing by the client are supplied along with the items, even if they are not mentioned by name.

- 9.3 If the client notices that the items supplied do not satisfy (wholly or in part) what the supplier has guaranteed in line with the previous provisions, the supplier is in default unless the latter can demonstrate that the failure cannot be attributed to it.
- 9.4 The inspection, checking and/or testing of items by the client or persons or agencies appointed for this by the client can take place prior to, during or after delivery.
- 9.5 For this purpose, the supplier will grant access to the locations where the items are produced or stored and will cooperate with the desired inspections, checks or tests and provide at its own expense the necessary documentation and information.
- 9.6 The supplier is authorised to be present for the inspection, check and/or test.
- 9.7 The costs of inspection, checking and/or testing of the items are at the supplier's expense. The same applies for a second or subsequent inspection, check or test.
- 9.8 If the items are entirely or partially rejected after being inspected, checked or tested before, during or after delivery, the client will notify the supplier of this (in writing).
- 9.9 The inspection of an item and the result thereof can never be interpreted as any acknowledgement on the client's part of the soundness thereof and does not relieve the supplier of any liability with regard to the item.
- 9.10 If the supplier does not recover the rejected good within 5 days, the client has the right to return the good to the supplier at the latter's expense and risk.
- 9.11 If the items are rejected during or after delivery, ownership and risk of the rejected items transfer to the supplier from the date of the notification referred to in the previous paragraph.
- 9.12 Without prejudice to the client's other claims, the supplier will repair all defects arising during the guarantee period as quickly as possible and at its own expense upon first notification from and in consultation with the client.
- 9.13 If the client finds that the supplier has not remedied the defect, or has not done so on time or properly, or that repair of the defect cannot be postponed, the client is free to perform the necessary repairs, or have these performed, at the supplier's expense after notifying the supplier of this in writing. The client is entitled to recover these costs from the supplier, for instance by deduction from any payments still owed to the supplier.
- 9.14 After the applicable guarantee period has elapsed, the supplier continues to be liable for hidden defects for a period of 5 years. Hidden defects are understood to include defects that could not reasonably have been discovered by the client during inspection of the items.

Article 10 Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act

- 10.1 The supplier can only transfer an obligation under the agreement to a third party with the client's advance written permission. Reasonable conditions may be attached to this permission.
- 10.2 If after obtaining the written permission of the client, the supplier entrusts the delivery to another party, the supplier must immediately draft a contract in writing to that end, and that contract must include the conditions of this agreement such that in that contract the original supplier assumes the legal position of the original client and the third party assumes the position of the original supplier.
- 10.3 If workers are hired in, the supplier is required to strictly adhere to the administrative conditions stipulated by or pursuant to section 16a of the Social Security (Coordination) Act and the supplier is also required to indemnify the client against any claims concerning this.
- 10.4 The supplier guarantees that the statutory obligations regarding the payment of national insurance contributions and payroll tax are satisfied with regard to its employees or third parties it engages for the performance of the agreement. It must submit documentary evidence of this at the client's request.
- 10.5 The supplier indemnifies the client against any claim concerning this from the Industrial Insurance Board or Tax and Customs Administration.
- 10.6 The supplier commits to submit a statement from a registered accountant, at the client's request, which demonstrates the following to the client's satisfaction:

- that the supplier has paid, on time, in full and properly, the national insurance contributions and payroll tax owed for the period in which the supplier made employees available to the client;
 - that the supplier has always given a correct and complete statement to the national insurance institution or tax and customs administration charged with collection with regard to the aforementioned levy of national insurance contributions and payroll tax.
- 10.7 Without prejudice to the other provisions of this article, the supplier will keep records so that the actual wage costs per project can be determined. The client is entitled to check these records at any time. The supplier will report the actual wage costs on each invoice.
- 10.8 Payment will then take place by transfer by the client of 70% of the actual wage costs into the supplier's G account.
- 10.9 If the "VAT reverse charge mechanism" applies to the agreement, the supplier will report this on every invoice.
- 10.10 At the client's request, the supplier will submit to the client the original of a recent Payment History Report from the Industrial Insurance Board and the Tax and Customs Administration.

Article 11 Employees charged with delivering items or performing services (at the client's site or building)

- 11.1 The supplier ensures that every person working for it will satisfy the rules of conduct and special requirements set by the client and if none have been provided, the rules of conduct of the supplier and the general requirements of competence and professionalism.
- 11.2 The supplier guarantees the quality of the material to be used and the monitoring of persons charged with performance of the agreement.
- 11.3 If the client feels that the employees provided are not adequately qualified, the client has the authority to demand that the employees be removed and the supplier is required to immediately replace them.
- 11.4 Any failure by the supplier or any person engaged by the supplier for performance of the agreement to follow special or other instructions from the client gives the client the right to immediately dissolve the agreement without notice of default or intervention of the courts.
- 11.5 At the client's first request, the supplier must submit valid identification papers and employment terms and conditions for the employees performing the work. The supplier is also required to provide the client at the latter's first request with wage statements or time records for all employees put to work by the supplier.

Article 12 Resources

- 12.1 Materials, drawings, calculations, models, moulds, instructions, specifications and other resources provided by the client or purchased or produced by the supplier for the delivery to the client remain the client's property or become the client's property at the moment of purchase or production.
- 12.2 The supplier is required to designate the resources referred to in the previous paragraph clearly as the client's property, to keep them in good condition and insure them at its own expense against all risks as long as the supplier holds these resources.
- 12.3 The resources will be provided to the client at its first request or simultaneous with the last delivery of items to which the resources relate.
- 12.4 Resources that are used by the supplier in the performance of the agreement must be presented to the client for its approval at the latter's first request.
- 12.5 Modification to or deviation from the resources provided or approved by the client is only permitted after prior written approval from the client.
- 12.6 The supplier may not use or allow the use of the resources for or in connection with any purpose other than the delivery of items to the client, unless the client has granted its advance written permission for this.

Article 13 Invoicing and payment

- 13.1 Unless explicitly agreed otherwise in writing, the invoice, including VAT, will be paid within 60 days after receipt of the invoice and the client's approval of the items and any installation/assembly thereof.

- 13.2 The client is entitled to suspend payment if it ascertains a defect in the items or any installation / assembly thereof.
- 13.3 The client is entitled to reduce the amount of the invoice by amounts the supplier owes the client.
- 13.4 Payment by the client in no way constitutes waiver of any rights nor does it relieve the supplier of any guarantee and/or liability arising from the agreement, these terms and conditions or the law.
- 13.5 The client will only pay once the work has been delivered by the supplier and/or the assignment performed by the supplier to the client's satisfaction and after the supplier has demonstrated at the client's first request that it has made appropriate payment to the personnel and employees it put to work.
- 13.6 The client always has the right to pay the social contributions, VAT and payroll tax including national insurance contributions owed by the supplier in relation to the work performed, for which the client could be held jointly and severally liable as self-employed contractor under the Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act, to the supplier by deposit into the latter's blocked account as defined in the Wages and Salaries Tax and National Insurance Contributions (Liability of Subcontractors) Act. The client is fully authorised at any time to withhold the aforementioned amounts for contributions, including national insurance contributions, from the contract sum and pay them on the supplier's behalf directly to the relevant Industrial Insurance Board or recipient of the direct taxes. The client is discharged with respect to the supplier by payment of these, insofar as these amounts are involved.
- 13.7 The supplier is required to report the date of the particular order, the order number from the supplier and the description of the items on the invoice and accompanying documents.
- 13.8 The client is authorised to request that the supplier have an unconditional and irrevocable bank guarantee issued at its own expense by a bank acceptable to the client in order to secure compliance with the supplier's obligations.
- 13.9 Every invoice must be sent to the client in duplicate after shipment of the items and must be accompanied by receipt tickets signed in approval by the client.
- 13.10 Invoices that do not satisfy the requirements stated in the previous paragraphs will be returned without being processed.
- 15.2 The insurance obligation referred to in paragraph 1 in any event includes product and service liability insurance also after delivery, always with inclusion of liability for any incident caused by fire and/or explosion. The supplier will also insure any goods it has or will receive from the client against damage of any nature whatsoever caused during the period that the goods were in the supplier's custody.
- 15.3 If the supplier acts as producer, its liability insurance must in any event also fully cover its liability in respect of the end customers of its product after completion. The foregoing applies regardless of where these customers function in the supply chain to the client or third parties and regardless of to whom these customers may be liable.
- 15.4 In the event of the delivery of items or use of motor vehicles and other rolling stock, the supplier must insure liability for damage in respect of the client and/or third parties for which an insurance obligation exists on grounds of the Civil Liability Insurance (Motor Vehicles) Act and/or the Carriage of Passengers by Motor Vehicles Act.
- 15.5 At the client's first request, the supplier is required to provide the client with copies of the insurance policies from the insurance company, as well as copies of the correspondence regarding premium payments. If the supplier fails to comply with its insurance obligations, the client has the right to arrange compliance with these obligations on behalf of and at the expense of the supplier.
- 15.6 Without prejudice to the supplier's liabilities under the agreement or the law, the supplier must insure the aforementioned liabilities to a sufficient amount, in the absence of which at least an amount of € 500,000 per damage incident applies, unless different coverage has been agreed in writing. The insurance must be purchased from insurers subject to the supervision of the Insurance Supervisory Authority in Apeldoorn.

Article 14 Liability

- 14.1 The items delivered must be unloaded and stored in accordance with the client's instructions. Breakage and/or damage sustained during loading, transport and/or unloading or stacking is at the supplier's expense, even where such breakage or damage is noticed at a later date, unless the supplier demonstrates that the damage arose as a result of deliberate actions or gross negligence on the part of the client.
- 14.2 Without prejudice to the liability or responsibility of the supplier under its obligations and/or responsibilities provided for in article 14.1, the supplier is liable for all damage suffered by the client or by third parties as the result of a defect in its product which results in the product failing to offer the safety, quality, functionality or performance that can be expected of it.
- 14.3 The supplier is liable for all damage suffered by the client or by third parties as a result of actions or omissions by the supplier itself, its employees or by others engaged by it in the performance of the agreement.
- 14.4 The supplier indemnifies the client against third-party claims for compensation of damage on grounds of liability as referred to in the previous two paragraphs and will, at the client's first request, reach a settlement with these third parties or defend against such aforementioned claims in court, in the stead of or together with the client, all at the client's discretion.
- 14.5 Personnel and employees of the client are regarded as third parties for the application of this article.
- 14.6 The supplier will insure itself satisfactorily for the liability referred to in this article and provide the client with insight into the policy on request.

Article 15 Insurance

- 15.1 The supplier is required to insure the financial consequences of its liability, without reference to, exception for or shifting to other insurance, whether or not concluded earlier, including liability insurance policies of other parties, whether or not known to the client. Insurance of its liability does not detract from the supplier's liability under the agreement or the law.

Article 16 Intellectual and industrial property rights

- 16.1 The intellectual property rights, including copyrights, brand rights, model rights and patents, resting on documents, drawings, models, etc., provided to the supplier by the client are exclusively held by the client.
- 16.2 The supplier guarantees the free and unhindered use by the client of the items delivered. It indemnifies the client against the financial consequences of third-party claims due to intellectual and industrial property right infringements.
- 16.3 The supplier is entitled to use the information provided by the client, only in connection with the agreement however. This information is and remains the property of the client.
- 16.4 In the event of violation of paragraph 2, the client will impose an immediately payable fine on the supplier in the amount of € 750 for every violation. The amount of the penalty must be paid by the supplier immediately after the violation is ascertained and the supplier is notified of this.

Article 17 Transfer of risk and ownership

- 17.1 The full and unencumbered ownership and risk of the items will transfer to the client upon delivery (when the goods have been actually unloaded and confirmation of receipt has been signed) or assembly or installation and approval by the client. The client does not accept any reservation of ownership.
- 17.2 If the supplier postpones the shipment at the client's request, the ownership of the items will transfer to the client on the date further agreed for this between the client and supplier. In such a case the supplier is required to store the items separately, recognisable as the client's property, from this date. In such a case the items will nonetheless remain at the risk of the supplier as holder of the items until the items are delivered to the client at the agreed location or locations.

Article 18 Confidentiality

- 18.1 The supplier guarantees secrecy towards all third parties with regard to all company information, for instance regarding business assets, operations or other information originating from the client, which has come to or is brought to its attention in any way whatsoever.
- 18.2 The supplier is not permitted to reproduce or provide third parties with access to any company information relating to the agreement, except to the extent necessary in the context of performance of the agreement and after the client has given its permission in writing.

- 18.3 All information, documents and other company information provided by the client to the supplier in the context of the agreement remain the property of the client at all times and must be returned at the client's first request or at the latest upon delivery.
- 18.4 The supplier will also impose the obligations cited in this article on employees and third parties engaged by the supplier in the performance of the agreement.
- 18.5 If applicable, the client has the right to have employees of the supplier and third parties the supplier has engaged in the performance of the agreement sign confidentiality statements.
- 18.6 If the provisions of the previous paragraphs are violated, the supplier will be subject to an immediately payable fine of € 10,000 per violation, without prejudice to the client's right to claim full compensation of any damage it has suffered.

Article 19 Order, safety and the environment

- 19.1 If the performance of the agreement takes place at the site or in the building of the client, the supplier will appraise itself in advance of performance of the conditions in which the work must take place. Costs of any delay arising from careless preparation of the work are at the supplier's expense and risk.
- 19.2 When performing the agreement, the supplier and its employees or the third parties it engages are required to observe government safety and environmental regulations and for the rest obey the regulations, instructions and requirements with regard to order, safety, the environment or supervision that apply at the location of delivery or performance.
- 19.3 A copy of specific regulations or instructions that apply at the client's site or in its building will be provided to the supplier at its first request.
- 19.4 The supplier must ensure that its presence or the presence of its employees at the client's site or in its building does not hinder (the activities of) the client or third parties.

Article 20 Termination and Dissolution

- 20.1 The client retains the authority at all times to terminate the agreement early by means of a written notification to the supplier, provided this notification reports the reasons for the termination. The supplier must cease performance of the agreement immediately after receipt of the written notification. The client and the supplier will hold discussions on the consequences of such a termination.
- 20.2 In the following cases, the supplier is in default by operation of law and the client is entitled to declare the agreement wholly or partly dissolved, without notice of default or intervention of the courts being necessary and without prejudice to the client's right to damage compensation:
- if the supplier has failed to comply with one or more of its contractual obligations, or failed to do so on time, after being given notice of default;
 - if the supplier applies for bankruptcy or moratorium on payments or is put under administration pursuant to a legal provision;
 - if the supplier is declared bankrupt or granted a moratorium on payments;
 - if one or more of the supplier's assets are put under administration;
 - if the supplier transfers (part of) its business or whole or partial control thereof, liquidates or shuts down its business entirely or in part, or its business is otherwise ceased;
 - if the supplier's assets or parts thereof are subject to a prejudgement attachment or executory seizure.
- 20.3 Without prejudice to the provisions of the previous paragraph, the client has the right to demand damage compensation in addition to the dissolution.
- 20.4 If the client utilises the right referred to in the previous paragraphs, the supplier will be notified in writing of the dissolution of the agreement and the reason for this.
- 20.5 In the event of (partial) dissolution, the client can decide, without prejudice to its right to compensation of damage and costs:
- to send back the already delivered goods, which are not to be used or no longer to be used, at the supplier's expense, and to demand a refund or offset of the payments already made for these goods. The supplier is required to immediately refund the client the payments made with

regard to the agreement, with deduction of the value of the goods kept by the client;

- to refuse any further goods offered for delivery, without this resulting in (creditor's) default on the client's part;
- to complete the agreement itself, or have this done by a third party, after written notification, making use of the items already delivered by the supplier and materials and suchlike used by the supplier and to do so whether or not in exchange for a reasonable compensation to be agreed on after the fact.

Article 21 Suspension and compensation

- 21.1 The supplier declares that it waives its rights to suspend its obligations under the agreement if and insofar as the timely performance of the assignment for which the deliveries are intended is delayed as the result of its exercise of its right of suspension.
- 21.2 The client is entitled to suspend its payment obligations if the supplier fails, or is in danger of failing, to comply with its obligations under the agreement or the law, regardless of whether this failure can be attributed to the supplier.
- 21.3 If the client reasonably believes on grounds of the circumstances known to it at that time that it may suspend its obligations, the client is not required to pay the supplier any damage compensation if it should become known after the fact that the client's invocation of its right of suspension was not legally valid.
- 21.4 The client is entitled to set off the amounts it owes or can claim in connection with the agreement with amounts that it itself can claim from the supplier or owes the supplier.

Article 22 Assignment and pledge of claim

Without the prior written permission of the client, the supplier is not permitted to assign, pledge or otherwise encumber or transfer the claims it has or will acquire on third parties in the event of an agreement with the client.

Article 23 Disputes and applicable law

- 23.1 The agreement concluded between the client and supplier and any disputes arising from it are exclusively subject to Dutch law. Applicability of foreign law and the Vienna Sales Convention is explicitly excluded.
- 23.2 Disputes between the parties, including those which are only viewed as such by one of the parties, will be resolved amicably as much as possible. If the parties cannot reach a solution, the disputes will be heard by the competent court in the Netherlands in whose jurisdiction the client's business is located, or in a different jurisdiction, at the client's sole discretion.