

1. GENERAL

1.1. These general terms and conditions of purchase ("**General Terms**") apply to all requests for quotations, orders and agreements concerning (i) the supply of products (the "**Products**") by the supplier to Plasticon Composites International Contracting B.V. ("**PCIC**") and (ii) the rendering of (additional) services by the supplier for the benefit of PCIC. PCIC expressly rejects the applicability of any general or specific terms and conditions of the supplier.

2. ORDERING

2.1. PCIC shall order Products from the supplier through a purchase order placed by email, telefax or other mutually agreed form ("**Purchase Order**"). Unless otherwise agreed, the Purchase Order shall contain at least the following information: prices, payment terms, date of delivery and delivery term.

2.2. The supplier shall provide PCIC with a written confirmation of such Purchase Order and notify PCIC promptly in writing of any errors or inaccuracies in the Purchase Order which may affect the fulfillment of the Purchase Order. If PCIC has not received confirmation of the Purchase Order within 5 working days from the date of the Purchase Order, the supplier shall be deemed to have accepted the Purchase Order.

3. SUSPENSION AND CANCELLATION OF PURCHASE ORDERS

3.1. PCIC may at any time suspend the date of delivery of the Products stated in the respective Purchase Order or a part thereof subject to written notice to the supplier. Such notice of suspension shall specify which Purchase Order(s) or part thereof shall be suspended and the estimated new date of delivery.

3.2. In the event that a customer of PCIC cancels a delivery of products to be delivered by PCIC to such customer, PCIC may cancel any underlying Purchase Order(s) subject to written notice to the supplier. Such notice of cancellation shall specify which Purchase Order(s) or part thereof shall be cancelled.

3.3. A fair and reasonable compensation shall be paid to the supplier for all work in progress at the time of suspension or cancellation, provided that such compensation shall not include loss of anticipated profits or any consequential loss. The supplier must limit the loss resulting from a suspension or cancellation to a minimum.

4. CHANGES

4.1. PCIC shall have the right at any time to make changes in the scope or specifications of the Purchase Order, by means of a written notice to the supplier.

4.2. The supplier shall implement such changes without any additional charge to PCIC, unless the supplier is able to demonstrate that the change will cause additional costs, which shall be implemented in accordance with the same pricing principles and price levels as applied to the original pricing of the Product.

5. DELIVERY; DELAY; INSPECTION; ACCEPTANCE; DOCUMENTATION

5.1. The terms of delivery for the Products shall be set out in the Purchase Order. The title to the Products shall pass to PCIC upon delivery. Unless accepted by PCIC in writing prior to delivery, PCIC shall not be obliged to take (i) Products into its possession before the agreed date of delivery and (ii) partial deliveries into its possession.

5.2. Should circumstances arise whereby the deadline for an agreed delivery date is expected to be exceeded, the supplier shall inform PCIC thereof without delay. If the supplier exceeds any agreed delivery date, PCIC is entitled to impose a penalty of [1]% of the price of the delivery without prior notice of default to the supplier, for each calendar week or part thereof, up to maximum of [15]%, which penalty shall be due and payable by the supplier as per the date the penalty is imposed. Imposition, recovery or settlement of this penalty shall not affect PCIC's right to (i) claim performance of the Purchase Order, (ii) claim for compensation or (iii) cancel the relevant Purchase Order.

5.3. PCIC has the right to inspect the delivery at the agreed delivery location prior to accepting it. PCIC shall inform the supplier accordingly and shall be entitled to replacement or repair at its discretion or may proceed to cancel the Purchase Order, without affecting PCIC's right to full compensation. All reasonable costs related to (re-) inspections shall be borne by the supplier.

5.4. The supplier shall deliver to PCIC upon delivery of the Products and keep up-to-date all relevant documentation, including, without limitation, manuals, user guides and all other relevant materials related to the Products (the "**Documentation**"). Unless otherwise agreed in writing, the Documentation shall be in the English language.

6. PRICES AND PAYMENT TERMS; SECURITY

6.1. The prices and payment term of the Products shall be set out in the respective Purchase Order. The contract price shall include all necessary materials, actions and costs required for the delivery of the Products, including the costs of materials, delivery, travel and salaries.

6.2. Unless otherwise agreed in writing, the prices specified in the Purchase Order shall include all public charges, taxes and duties determined by the authorities, except for value added tax. [Value added tax can be added to the prices in accordance with the then current regulations.]

6.3. In case PCIC and the supplier have agreed on security to be provided by the supplier in favour of PCIC for the fulfillment of any of the supplier's obligations under the Purchase Order, the provision of such security shall be a precondition for any payments by PCIC to the supplier.

7. INTELLECTUAL PROPERTY RIGHTS AND LICENSES

7.1. All intellectual property rights, including, without limitation, patents, utility models, design patents, designs, copyrights, trademarks and any other form of statutory protection and applications for such protection as well as trade secrets and know-how and/or similar rights (the "**Intellectual Property Rights**") of PCIC and, if applicable, its customers shall remain the sole property of PCIC and, if applicable, its customers. Any and all Intellectual Property Rights (whether or not capable of registration) in respect of a Product developed by the supplier especially for PCIC shall automatically vest in PCIC or shall be transferred by the supplier to PCIC.

7.2. If the Product is not developed especially for PCIC, the supplier will grant PCIC a worldwide non-exclusive, perpetual and non-terminable licence in respect of any and all Intellectual Property Rights concerning such Product. The relevant licence fee is included in the price of the Product.

7.3. Insofar as the transfer of Intellectual Property Rights as referred to in Article 7.1 or the granting of a licence as referred to in Article 7.2 requires the execution of a special deed or other formalities, the supplier shall fully cooperate in the execution of such deed or such formalities.

7.4. Insofar as the manufacturing of a Product requires certain Intellectual Property Rights of PCIC, PCIC shall grant to the supplier a non-exclusive, non-sublicensable and without-notice-terminable licence to use such Intellectual Property Rights and to perform the necessary acts for the purpose of manufacturing the Products.

8. INDEMNITY

8.1. The supplier warrants that the Products do not infringe any rights (including any Intellectual Property Rights and trade secrets) of any third parties.

8.2. The supplier indemnifies and holds PCIC and, if applicable, its customers harmless against all claims and actions from any third party alleging that the Products infringe any of the rights of such third party.

8.3. In the event it is established that the Products infringe the rights of a third party, the supplier shall at its own expense (a) obtain the right from such third party of continued use of the Products by PCIC and, if applicable, its customers, (b) replace such Products in order to eliminate the infringement, or (c) modify such Products in order to eliminate the infringement, provided, that after such replacement or modification the Products still meet the specifications and all other requirements set forth in these General Terms and/or the Purchase Order. If none of the alternatives are reasonably available to the supplier and the infringement has been

established in law, PCIC and, if applicable, its customers shall upon a written request from the supplier stop using the Products and the supplier shall credit PCIC the full contract price paid by PCIC for such Products less an adjustment pro-rated equal to the time PCIC and, if applicable, its customers has been able to use the Products, without affecting PCIC's right to full compensation. In addition, PCIC shall have the right to terminate the relevant Purchase Order.

9. QUALITY REQUIREMENTS; SURVEY

9.1. Each of the Products must:

- strictly conform to all requirements of these General Terms and/or the Purchase Order, including without limitation specifications and quality requirements;
- be complete and suitable for the purpose for which it is intended;
- be free from any charges, restrictions and third-party claims, with the exception of any charges, restrictions and claims that PCIC has expressly accepted in writing;
- be provided by skilled staff, using new materials;
- be accompanied by the necessary instructions to PCIC, to enable PCIC to use the Products independently;
- comply with all applicable laws and all other regulations and standards issued by competent authorities;
- in no respects prevent PCIC from complying with existing laws and all other regulations and standards issued by competent authorities.

9.2. The supplier shall maintain its certification ISO 9001 quality management system or equivalent quality system. In addition, the supplier undertakes to comply with the PCIC quality requirements.

9.3. PCIC and its customers shall have a right to conduct a survey at the production facilities of the supplier. Such survey shall be performed during normal working hours of the supplier. PCIC shall issue notice of the survey at least 5 working days in advance.

10. WARRANTY

10.1. The supplier warrants that the Products shall (i) be free from defects in material, design and workmanship and (ii) conform and function in accordance with the technical specifications and any other mechanical, functional or performance criteria of the Products for a period of at least 24 months from the final acceptance by PCIC of the Products (the "**Warranty Period**").

10.2. The supplier shall without undue delay and without any additional costs to PCIC repair or replace any defective Products, components or other parts of the Products, found defective during the Warranty Period. Unless otherwise agreed, the supplier shall provide warranty repair services at any plant or site of PCIC, its customers or any third party to which the supplier supplies Products (the "**Site**"). The supplier shall bear any and all transportation costs in connection with the repair or the replacement of defective Products. A new warranty period, equal to the original one, shall be issued by the supplier in respect of the repaired or replaced parts, commencing from the date the repair is completed or the date of replacement.

10.3. The warranties shall not cover normal wear and tear and defects attributable to (i) external factors, such as fire or flood, misuse or other use which is contrary to the written instructions given by the supplier or (ii) repairs, changes or corrections to the Products made by PCIC.

10.4. The supplier warrants that spare parts shall be available for repair, replacement and maintenance of the Products for at least 10 years from the final acceptance of the Products, which parts shall be supplied at reasonable prices and terms. In the event the supplier after the expiry of such 10 year period wishes to stop manufacturing spare parts for the Products, the supplier shall inform PCIC at least 12 months in advance, allowing PCIC to (i) make a final purchase order of spare parts or (ii) license from the supplier on reasonable terms and conditions the right to use drawings and other technical information and documents that PCIC or any other supplier requires for the manufacture and repair of such spare parts.

11. CONFIDENTIALITY

11.1. The supplier shall keep in strict confidence all technical and commercial know-how, specifications, inventions, processes or initiatives which are of a confidential nature and have been disclosed to the supplier by PCIC and any other confidential information concerning PCIC's business which the supplier may obtain and the supplier shall ensure that its employees, agents and sub-contractors are subject to like obligations of confidentiality as binding upon the supplier.

12. SAFETY

12.1. The supplier understands that security issues are of the essence to PCIC and its customers. The supplier shall observe and shall ensure that all of its employees, agents and sub-contractors shall observe, whether or not while working at the Site, all instructions and guidance relating to security issues, which PCIC or its customers may request from the supplier, including, without limitation, all applicable legal and regulatory requirements and security policies, procedures and instructions issued by PCIC and/or its customers.

13. LIABILITY; INSURANCE

13.1. The supplier shall fully reimburse all direct and indirect loss (including but not limited to consequential loss, damage to the environment, damage to materials, equipment and other property, personal injuries, and the costs of collection in and out of court) incurred by PCIC or third parties as a result of or in connection with the delivered Products, regardless of whether the loss was caused by the supplier itself, its staff or other persons whom the supplier has engaged.

13.2. PCIC shall not be liable for any loss whatsoever incurred by supplier, except in the event of intent or gross negligence on the part of PCIC. PCIC will in no event be liable for indirect loss (including but not limited to consequential loss, damage to the environment, damage to materials, equipment and other property, personal injuries, and the costs of collection in and out of court) incurred by supplier, its staff or other persons whom supplier engaged.

13.3. The supplier undertakes to maintain sufficient insurance policies against third party liability, including liability for personal injury and property damage. The supplier shall provide evidence of sufficient insurance coverage upon request of PCIC.

14. FORCE MAJEURE

14.1. Either party shall be excused from the performance of any of its obligations under these General Terms and/or the Purchase Order and such obligations shall be extended by a period reasonable under the circumstances if the performance thereof is prevented or delayed by any cause beyond the affected party's reasonable control. Force majeure on the part of the supplier will in no event include shortage of staff, strikes or sickness of staff, delay in distribution, breach on the part of third parties engaged by the supplier and/or liquidity problems.

14.2. In the event of force majeure, the affected party shall promptly notify the other party in writing and furnish all relevant information thereto. Should a cause of force majeure continue for more than 3 consecutive months, either party shall have the right to cancel the Purchase Orders affected by the force majeure, subject to written notice to the other party.

15. GOVERNING LAW AND DISPUTES

15.1. These General Terms and the Purchase Order shall be governed by and construed in accordance with the laws of the Netherlands. The Vienna Sales Convention (CISG) is explicitly excluded.

15.2. The court of Almelo, the Netherlands, shall have exclusive jurisdiction over a dispute arising out of or in connection with these General Terms and/or the Purchase Order.