

# GENERAL CONDITIONS OF SALE

## I. Scope of Application

These General Conditions of Sale form an integral part of the contract of purchase and shall apply to all offers, advice, sales agreements, and deliveries between Seller and Buyer. The applicability of Buyer's terms and conditions is expressly excluded, even if they have been accepted under a previous legal relationship, and Seller shall not be bound by deviations or reservations made by the Buyer unless expressly accepted by Seller in writing. "Seller" in these General Conditions is the private limited company STOPAQ B.V. having its registered office in Stadskanaal, The Netherlands.

## II. Offers, Orders, Contracts

Seller's offer or quotation is an invitation for the Buyer to place an order only. A contract shall be concluded only if and insofar as Seller accepts the order in writing or Seller de facto executes an order.

## III. Prices

The prices in the Seller's price lists applicable on the date of the contract shall apply, unless otherwise agreed in writing. Prices are for delivery EX WORKS, and exclude all taxes and duties. All prices include the Seller's standard packaging. All prices are expressed in Euro unless otherwise stated. Seller may correct and change obvious errors in pricing.

## IV. Payment

- Buyer shall pay the full amount of the invoice within 30 (thirty) days from the invoice date without deduction, set off or suspension. Payment shall be deemed paid only when the full value is credited to Seller's account.
- Seller is entitled to charge interest on overdue payments at a rate of 3% annually above the annual discount rate of the European Central Bank without notice to Buyer. Buyer shall indemnify Seller for all costs and expenses that Seller incurs in collecting overdue amounts.
- Buyer's payments shall be applied first to offset any costs under clause IV. 2 above, then applied to the interest due, and then to the principal sum and accrued interest.

## V. Default , Suspension, Cancellation, Termination

- If Buyer fails to perform any obligation in a full and timely manner pursuant to a contract, Buyer shall be in default without the need for notice of default. In the event of default, Seller shall be entitled to suspend its performance until the default has been remedied in full, including any expenses and accrued interest. Suspension shall not affect Seller's rights under a contract.
- Where Seller has reason to doubt Buyer's solvency or creditworthiness, Seller may demand advance payment or the placement of an agreed security, regardless of whether such action has previously been agreed by the parties. If Buyer is not forthcoming with the payment or security, Seller shall be entitled to cancel all or part of the contract that has yet to be performed without liability to Seller.
- In the event of a material breach of Buyer's obligations pursuant to a contract, Seller may by written notice to Buyer terminate the contract immediately. Material breach shall include, but not be limited to, failure to pay in full on the due date and/or the issuance of a petition for liquidation, winding up order or other circumstances which point to a deterioration in Buyer's financial condition. Upon termination, all outstanding amounts shall be accelerated and be deemed due immediately. Seller shall be released from its obligations under a contract from the date of notice of termination.

## VI. Delivery

- Subject to delivery of the appropriate goods by Seller's own suppliers, delivery shall be completed as agreed in the contract between Buyer and Seller. General delivery conditions shall be interpreted in accordance with the INCOTERMS in force at the time of delivery. Unless expressly agreed otherwise, delivery shall be made Ex Works. Seller is at all times entitled to deliver shipments in parts.
- The delivery of and the transfer of risk with respect to the Products shall always be effected at the time and place the products are ready for shipment to Buyer. Seller shall inform Buyer as soon as possible of the time and place of delivery, and Buyer shall take delivery of the products as soon as possible, but at the latest within 10 (ten) working days of Seller's notice.
- If Buyer does not take delivery of the products or does not take delivery of them in time, it shall be in default without the need for any notice of default. In such a case, Seller shall be entitled to store the products, at the Buyer's expense and risk, or to sell them to a third party. Buyer shall continue to owe the purchase price plus the applicable interest and costs, less where appropriate the net proceeds of any sale to a third party.
- Seller's delivery terms are agreed in good faith and upon the information available to Seller by its suppliers at the time of contract. In the event of late delivery, Buyer shall not be entitled to claim for compensation. Buyer may be entitled to cancellation of the contract only in the event that the delay in delivery is such that it cannot be reasonably expected of Buyer that the relevant part of the contract should remain in effect.
- In the event Buyer wishes to return products, Seller may agree to such return provided the products are still in the original and unopened packaging, are in immaculate condition with at least a four month shelf life remaining, and all returns are affected in accordance with Seller's instructions. In such case, Seller may at its discretion credit Buyer a maximum of 90% of the value of the returned products. Seller shall not accept the return of any products manufactured specially for Buyer (e.g., customized products.).

## VII. Retention of Title

- The products sold shall remain Seller's property until all claims arising out of Seller's business relationship with Buyer (regardless of the legal basis for any such claim) have been satisfied. Buyer shall not be entitled to lease, pledge or otherwise encumber the products until title passes to Buyer.
- Any installation or application of the products shall always occur on behalf of, and for the benefit of, Seller. If the products are being processed, combined or mixed by Buyer with products of Buyer or third parties, Seller shall acquire joint title, pro rata, to that part of the products that represents the invoiced value of Seller's products (including VAT, if applicable) in relation to the total value of the other goods that have been processed, combined or mixed.
- If Buyer combines or mixes Seller's products with the main products of a third party in return for compensation, Buyer hereby assigns to Seller Buyer's right to compensation from such third party. If the right to compensation exceeds the invoiced value of Seller's products (including VAT, if applicable), the assignment shall occur pro rata.
- Buyer may, in the ordinary course of its business and only if Buyer is not in arrears with any payments due to Seller, resell any products that are subject to Seller's retention of title. If, upon such resale, Buyer does not receive the full purchase price in advance or upon delivery of such products, it shall agree with its customer a retention of title in accordance with these conditions. Buyer hereby assigns to Seller all of its claims arising from such resale and its rights arising from the said agreement for retention of title on a pro rata basis in relation to the invoiced value of Seller's products (including VAT, if applicable). If so requested by Seller, Buyer shall advise its customer of such assignment of rights and shall provide Seller with any information and documents necessary to enforce Seller's rights. Notwithstanding the foregoing, Buyer shall be entitled to collect payments from claims arising from any such resale to any third party only as long as Buyer properly satisfies its obligations to Seller.
- If Buyer is in breach of its contract with Seller, in particular in the case of delay with respect to any payment due, Seller may request return of the products for which title has not yet passed, and may commercialize such products. The proceeds of such commercialization shall be credited against the payments due, after deduction of reasonable costs for the commercialization.
- As long as Seller holds title to the products, Buyer shall immediately inform Seller when the products fall or are at risk of falling under any (bankruptcy) attachment, or if some other claim is made in respect of (any part of) the products.
- If third parties take any action with regard to the products to which Seller holds title, Buyer shall immediately inform such third parties that Seller holds title to these products. Moreover, in any such case, Buyer shall inform Seller of the location of the products and, if so desired by Seller, shall allow Seller access to buildings and/or areas in order for Seller to take possession of the products.
- In the event that the security interests granted to Seller exceed by more than 110% (one hundred ten percent) the value of Seller's claims arising out of its business relationship with Buyer, Seller shall, upon written request, release any security interests in excess of such limitation

## VIII. Force majeure

- If Seller cannot perform its obligations to Buyer due to a force majeure, the performance of those obligations shall be suspended for the term of the force majeure situation.
- Force majeure means any circumstance beyond the Seller's control that impedes the performance of its obligations to Buyer, in whole or in part, or as a result of which Buyer cannot fairly demand that Seller perform its obligations, regardless of whether any such circumstance was foreseeable at the time the contract was made. Such circumstances include but are not limited to: strikes, lock-outs, labor shortages, breakdowns in transportation, breakdowns in production, hostilities, fire, public disorder, acts of government, and scarcity of raw materials or energy, whether on Seller's part or that of its suppliers.

- In the event of a force majeure, Buyer shall have no right to any compensation.
- If the force majeure situation has lasted more than 6 (six) weeks, each party shall have the right to dissolve the contract in writing, in whole or in part, insofar as the force majeure situation justifies such action.

## IX. Warranty

- Seller warrants that the products conform to the published product information applicable at the time of delivery, provided that all instructions given for the use of the products, as included in the last version of the documentation delivered with the products or the most recent version of the product data sheets and/or material safety data sheets issued by Seller are complied with promptly and in full.
- This warranty does not extend to the result of any processing of the products.
- The Seller shall have no other liability under the contract (express or implied), in tort or otherwise, for the quality, performance, merchantability or fitness for any purpose.
- Seller's statements, publicity and advertising claims shall not constitute a warranty of goods quality.
- Where Seller is requested to provide technical or other advice concerning product suitability and/or application, such advice shall be given diligently and to the best of Seller's knowledge, but without warranty. Unless expressly agreed otherwise in writing, such advice does not relieve Buyer from its duties to test the products for their suitability and to perform its own due diligence.

## X. Inspection, Notification and Defects

- Buyer shall carefully inspect the products immediately upon delivery and shall notify seller in writing of any defects within 15 (fifteen) days after delivery of the products.
- If Buyer finds defects that were not obvious at the time of delivery (i.e., hidden defects), Buyer shall notify Seller in writing within 15 (fifteen) days after such detection describing in detail the nature and extent of the defect. After finding a defect, Buyer shall immediately cease the use, processing and/or installation of the relevant products, and shall do and refrain from doing all that is reasonably possible to prevent (further) damage. The burden of proving that a defect is hidden shall rest with Buyer.
- If Buyer fails to notify Seller as set out in this Clause X, Seller shall not be liable with respect to the defect.
- Provided that Buyer has notified Seller in accordance with these General Conditions and it has been satisfactorily demonstrated that the products do not correspond with what has been agreed, or show material and/or construction faults, or do not function properly, Seller shall have the option of either: (i) delivering replacements for the defective products free of charge against return of the defective products; (ii) properly repairing the defective products; or (iii) granting Buyer a discount on the purchase price. The performance option may be determined in consultation with Buyer.
- By effecting one of the performance options above, Seller shall have fully performed its obligations with respect to defective products. Seller's liability is limited to the obligations expressly set out in the General Conditions.
- Buyer shall fully cooperate in any investigation of a complaint regarding defective products, inter alia by giving Seller the opportunity to investigate the circumstances surrounding the use, processing and/or installation of such products.
- Buyer may not return products forming the subject of a complaint without Seller's prior consent. The reasonable costs of the return shall be borne by Seller only if a complaint has been lodged on time, properly and with justification.
- If no comments or notations were made with regard to the packaging at the time of acceptance of the products, the bill of lading or the delivery note, then, subject to evidence to the contrary, the products shall be deemed to have been in fit and proper condition upon delivery.
- Any guarantee agreement must be in writing and shall only be effective to the extent that it describes sufficiently the content, scope and duration of the guarantee. Buyer may not assert any claim concerning technical advice which is not in writing.
- Buyer's entitlement to claims with regard to any defects in a product shall become time barred as of one (1) year after the date of the product's delivery.

## XI. Liability

- Seller shall not be liable under any theory whatsoever for any damage which Buyer may suffer as a result of the use and/or the storage of products including any loss of profit, environmental damage or intangible damage; nor for any damage that Buyer may suffer as a result of technical advice, instructions and other information about the use of the products or other services provided.
- Without prejudice to the provisions of this Clause XI, Seller's contractual and/or statutory liability shall at all times be limited to the amount of the purchase price of the product and/or the costs charged for the technical advice or services in respect of which any liability arises.
- Buyer shall indemnify Seller against all third-party claims connected to (the use of) the products, insofar as these claims exceed the liability of Seller pursuant to these General Conditions, and Buyer shall compensate Seller for any damages that Seller suffers as a result of any such claims.

## XII. Intellectual property

- Buyer shall not acquire any intellectual property rights with regard to the products.
- Buyer is not permitted to alter or remove trademark or other distinguishing marks on the products or the packaging, or to alter or copy the products or any part thereof.
- Seller confirms that to the best of its knowledge at the time of delivery the products do not infringe any intellectual property rights of third parties applicable in the Netherlands. In the event of claims by third parties with regard to an infringement of such rights, Seller may, if necessary, replace or alter the relevant product, or the parties may dissolve the contract in whole or in part.
- Buyer shall immediately inform Seller of any claim by a third party regarding an infringement of intellectual property rights relating to the products. In the event of such a claim and with the full cooperation of Buyer, Seller alone shall be entitled to present a defense, including on behalf of Buyer, or to take legal measures against such third party, or to agree an amicable settlement with such third party. Buyer shall refrain from taking any measures insofar as such action can reasonably be demanded of it.

## XIII. Assignment, Severability

- Buyer shall not be entitled to assign or transfer its rights and/or obligations to a third party without the prior written consent of Seller.
- If any provision of a contract is held to be invalid for any reason, such provision shall be severable and shall not affect the validity of the remainder of the contract. In such a case, the severed provision shall be replaced with another provision that corresponds as closely as possible to the original provision.

## XIV. Choice of law and Jurisdiction

- All contracts and/or legally binding transactions to which these General Conditions apply are governed exclusively by Dutch law, excluding its conflict of law principles.
- The application of the Vienna Sales Convention (CIGS) is expressly excluded, as is the application of all other international conventions and regulations where exclusion is permitted.
- Any disputes arising from or in connection with these General Conditions shall be brought exclusively before the courts of Groningen, provided however that Seller shall always have the right to bring claims, simultaneously or otherwise, against Buyer before courts competent to adjudicate such claims at Buyer's domicile.

Self-healing corrosion prevention & sealant systems



These General Conditions were registered on 26th November 2010 with the Chamber of Commerce in Groningen under number 3432