

**GENERAL TERMS AND CONDITIONS OF:
STERK TECHNISCH ADVIESBUREAU BV**

Filed with the Chamber of Commerce at Tiel, with effect from 3 December 1998

Article 1: General:

- 1.1 These general terms and conditions apply to all agreements and/or orders concluded by Sterk Technisch Adviesbureau BV, called below: "Sterk", with another party.
- 1.2 The agreements mentioned in Paragraph 1 of this Article refer to all agreements concluded by Sterk, but in particular to sales contracts and the completion of "technical" orders in the broadest sense of the term.
- 1.3 A copy of these terms and conditions can be obtained on request from Sterk at any time, free of charge.
- 1.4 Possibly different terms and conditions of the other party will not apply unless accepted by Sterk in writing. Deviations from these terms and conditions are possible by mutual consent, but these must always be laid down in writing.

Article 2: Quotations:

- 2.1 Quotations by Sterk are non-binding unless they include a deadline for their acceptance.
- 2.2 If a quotation as mentioned in Paragraph 1 of this Article is accepted by another party, Sterk will have the right to revoke the quotation for two working days after the receipt of the acceptance.
- 2.3. Unless stated otherwise, all prices stated in the quotation exclude value added tax and a 1.5% charge for freight, packing and insurance (FPI-charge).
- 2.4 The offers and prices stated in quotations, orders and on order forms are based on the prices and specifications applying at that time.
- 2.5 Sterk is not bound to deliver at a price stated in the quotation if this price is based on a printing or typing error.
- 2.6 In the case of telephone and/or fax orders, Sterk is not liable for incorrect delivery and/or invoicing arising from the telephone calls or faxes in question. Written confirmation of telephone and/or fax orders arriving after the date on which goods ordered by telephone and/or fax have been delivered will not affect this.
- 2.7 The parties are aware that European legislation is in preparation which will ensure the automatic conversion of all contracts in guilders into Euros in the EMU countries. The parties will comply with the new legislation; however, the introduction of the Euro will not provide the parties with cause to change the other terms and conditions of contract.

Article 3: Agreements:

- 3.1 An agreement, including amendments and additions, will not be concluded until the other party has signed Sterk's quotation, order or order form. Orders placed by telephone will not lead to an agreement until they are confirmed by Sterk in writing.
- 3.2 All agreements will be concluded by Sterk under the suspensive condition that the creditworthiness of the other party has proved adequate and/or has been guaranteed by the other party by adequate surety at Sterk's request.
- 3.3 During the performance of the agreement, Sterk will have the right to demand surety for the other party's creditworthiness at that party's expense.
- 3.4 Sterk will exercise due care towards the other party in the performance of all agreements in which Sterk may use the services of third parties.

Article 4: Price increase:

- 4.1 If more than three months elapse between the conclusion of the agreement and the delivery, and if the prices of raw and other materials or semi-finished goods, wages, contributions of any kind whatsoever, freight, taxes, exchange rates and/or other cost factors for Sterk have risen in such a way as to increase Sterk's costs by more than 5%, Sterk will be entitled to increase its selling price in accordance with the rise without the other party having the right to cancel the agreement or have it cancelled, while Sterk will not be obliged to reimburse the other party for any damages.

Article 5: Orders:

- 5.1 By accepting an order which implies that technical recommendations will be made and which does not lead to the delivery of a product, Sterk is accepting an obligation to perform to the best of its ability.
- 5.2 Sterk will perform the work to the best of its ability, taking into account current (scientific) know-how and the state of the art as at the date on which the order was placed.
- 5.3 The client must supply Sterk with all data and information required in handling the order. If this condition is not met, Sterk will be entitled to suspend fulfilment of the order.
- 5.4 The client must inform Sterk immediately of facts and circumstances of importance to the fulfilment of the order. In addition, the client will be responsible for the accuracy, completeness and reliability of the data and information supplied to Sterk.
- 5.5 The order will consist of the work as described in the order confirmation.
- 5.6 Any illustrations, drawings, designs, models, statements of dimensions, calculations and other descriptions, including catalogues or brochures, which are attached to offers will be as accurate as possible but not strictly binding. Minor variations are permissible.

- 5.7. The documents referred to in Paragraph 6 of this Article will remain the property of Sterk, even if costs are invoiced for them. Copyright and/or design rights to these documents will remain with Sterk.
- 5.8 The documents supplied by Sterk as referred to in Paragraph 6 of this Article may not be reproduced in any form whatsoever without Sterk's explicit consent; likewise, these documents may not be supplied to third parties or given to third parties for perusal, or otherwise re-used, without Sterk's explicit consent.
- 5.9 The documents referred to in Paragraph 6 of this Article must be returned to Sterk upon its first request.
- 5.10 Notwithstanding Article 2, Paragraph 3, the fulfilment of an order as referred to in Paragraph 1 of this Article is based on a contract price, fixed hourly rate or otherwise determined fee.
- 5.11 Unless stated otherwise in the quotation, interim invoices will be sent at Sterk's discretion, based on a share of the cost budget which is in accordance with the progress of Sterk's work, or as an advance on the final invoice.
- 5.12 Sterk's administrative records are decisive for the accuracy of the number of hours worked, subject to the client's right to prove otherwise.
- 5.13 The agreed prices exclude value added tax.
- 5.14 If the client demands additional work or performance of the work otherwise than agreed, the associated additional costs will be borne by the client. In such cases, these terms and conditions will apply to the additional work accordingly.

Article 6: Force majeure:

- 6.1. If, after an agreement has been concluded, its performance by Sterk turns out to be difficult or impossible as a result of force majeure, Sterk will be entitled at its discretion to cancel those orders not yet fulfilled, or to suspend their performance. In these cases the other party will be informed as quickly as possible, having regard to the circumstances of the case.
- 6.2 Force majeure is understood as follows: any situation in which Sterk cannot fulfil its obligations or a part thereof as a consequence of circumstances which are beyond Sterk's control and which cannot otherwise be attributed to Sterk on the grounds of the law or of a guarantee given by Sterk or according to common opinion.
- 6.3 In any case, force majeure includes but is not limited to the following circumstances:
- natural disasters;
 - epidemic diseases;
 - wars, international or national armed conflicts and preparations for such conflicts;
 - actions by national, foreign or supra-national governments, including but not limited to decisions connected with import quota systems;

- discontinuation of the supply of necessary parts, raw and other materials and/or semi-finished goods;
- blockade or obstruction of transport routes, including traffic jams;
- strikes or industrial unrest;
- cessation of supplies from utilities companies.

Article 7: Cancellation, suspension, dissolution of the agreement:

- 7.1 The other party may only cancel an agreement or return delivered goods with Sterk's prior written consent.
- 7.2 If the agreement is cancelled or the delivered goods are returned on the grounds of Paragraph 1 of this Article, the other party will be liable to Sterk for all reasonable, genuinely incurred costs and for the forgone profit.
- 7.3 If the other party (the purchaser) is in any way in default on its obligations under previous deliveries already made by Sterk, Sterk will have the right to suspend its own obligations towards the purchaser and to cancel current orders or parts thereof.

The same applies if the alleged creditworthiness referred to in Article 3, Paragraphs 2 and 3 of these general terms and conditions proves to be incorrect in the opinion of Sterk or of its credit insurance company.

- 7.4 The agreement concluded between the parties will end prematurely immediately and by operation of law if the other party (the purchaser) goes bankrupt, is granted a moratorium on payments or is placed under guardianship, or if the other party's business is put up for sale (enforceably) and due performance of the obligations under this agreement is not guaranteed, unless an arrangement is agreed whereby the rights and obligations under the agreement concluded between the parties are transferred to a new party (purchaser) in consultation with Sterk.

Article 8: Terms and conditions of payment, out of court collection costs and right of retention:

- 8.1 Payment for the delivery of goods must be made to a bank or giro account to be designated by Sterk, without deduction or setoff, within thirty days of the invoice date unless agreed otherwise.
- 8.2 If non-standard products are purchased, Sterk is entitled to demand an advance payment from the other party, in which case the other party must be informed of this fact.
- 8.3 Purchases on account are only possible with Sterk's written consent.
- 8.4 If the other party is in default on its payment obligation, it will owe Sterk interest at the statutory rate on the outstanding balance of the invoice or a part thereof, where part of a month will count as a full month, as from 30 days after the invoice date, and in the case of a purchase on account as referred to in the previous Paragraph as from fourteen days after the invoice date. In addition, the other party will then owe Sterk the reasonable costs of obtaining

satisfaction out of court; these costs - the minimum amount of which will be NLG 300 - will be calculated entirely in accordance with the collection rates of the Netherlands Bar Association [*Nederlandse Orde van Advocaten*].

- 8.5 Sterk will be at liberty to decide which debts will be cleared by payments made by the other party, but the interest and out of court collection costs will always be deducted from such payments first.
- 8.6 In any case, Sterk will be entitled to exercise its right to retain any goods from the other party which it has in its possession until its entire claim on the other party is satisfied.
- 8.7 Sterk may grant a payment discount for reasons of its own, always subject to explicit agreement between the parties. Such a discount will be calculated on the amount of the invoice excluding freight and insurance costs, any deposit and taxation, and will be stated by Sterk on the invoice.

Article 9: Delivery:

- 9.1 Unless otherwise agreed, deliveries will be made strictly cash on delivery.
- 9.2 Sterk will determine the choice of transport. Physical delivery will take place at the location closest to the works or warehouse which the conveyance can reach and leave safely along a route intended for that conveyance.
- 9.3 The other party is obliged to have the goods mentioned in Paragraph 1 of this Article unloaded as quickly as can reasonably be expected after the arrival of the conveyance. The other party must observe the normal unloading time using sufficiently suitable personnel and equipment. The other party must take the unloading instructions of the carrier into account.

Article 10: Risk:

- 10.1 If delivery takes place in accordance with Article 9, Paragraph 1, the goods are at Sterk's risk until the time of unloading as referred to in Article 9, Paragraph 2.
- 10.2 Unloading as referred to in Article 9, Paragraph 2 will be entirely for the account and risk of the other party.
- 10.3 If delivery ex works or ex warehouse is agreed, delivery will be physically effected when the goods are loaded on to the conveyance chosen by the other party. The risk passes to the other party after the goods are loaded on to the conveyance. From that moment onwards, the goods are carried for the account and risk of the other party.

Article 11: Obligations of the purchaser:

Cash on delivery

- 11.1 If deliveries are made to the other party in accordance with the terms of Article 9, Paragraph 1, the other party must have visible defects or damage noted directly on the delivery note or shipping document, or must have the carrier of the goods draw up a report of such defects or damage.
- 11.2 If deliveries are made to the other part in accordance with the terms of Article 9, Paragraph 1, and by delivery to a third party which will hold the goods for the other party, the other party will be obliged to have the inspection referred to in Paragraph 1 of this Article carried out within 48 hours after the third party has received the goods on its behalf.

Delivery ex warehouse

- 11.3 If deliveries are made ex works or ex warehouse, the other party must inspect the goods immediately after delivery to ascertain whether these comply with the agreement, particularly with regard to the definition of the goods, the quantity and the agreed quality requirements, or requirements which may normally be stipulated in similar cases.
- 11.4 If the goods have not been collected within 2 weeks of notification, Sterk will be entitled to charge for storage.

Article 12: Delivery time:

- 12.1 Delivery times are indicative and are only given as an approximation. Unless otherwise agreed explicitly in writing, the delivery times given by Sterk are not to be regarded as deadlines.
- 12.2 Sterk is entitled to make delivery in parts (“part deliveries”), which may be invoiced separately.
- 12.3 A delay in delivery which is kept within reasonable limits cannot provide occasion for the other party to dissolve the agreement.
- 12.4 Sterk’s liability for any damages to the other party due to exceeding a stipulated firm deadline will be limited to the following, taking Article 6 into account:
- If late performance leads to damage, and this late performance has been caused by the intention or gross negligence of Sterk directors or executive employees or by the intention or gross negligence of other employees, Sterk will be liable in full;
 - Sterk’s liability in the case of late performance will be limited to the amount of the invoice. Sterk will never be liable for forgone profit or costs of standstills.

Article 13: Complaints:

- 13.1 No complaint from the other party that the delivery does not correspond to the agreement may be asserted vis-à-vis Sterk unless the other party informs Sterk of this fact within eight days of the delivery. This notification must be given by the other party in writing, and in any case must be received by Sterk within 48 hours of the discovery of the fault.
- 13.2 The complaint must state the date and the invoice number in question.
- 13.3 No complaint by the other party about clearly visible defects or damage to the delivered goods can be asserted vis-à-vis Sterk unless the other party has noted the defects and/or damage on the delivery note or shipping document, or has had the carrier of the goods draw up a report of the defects and/or damage.
- 13.4 The other party must supply proof that the delivery does not comply with the agreement.
- 13.5 If the other party notifies Sterk of complaints about the goods delivered, it must give Sterk the opportunity, within an appropriate time, to inspect and examine the goods. Sterk may possibly carry out a further examination in the least disruptive manner possible, and the other party must give Sterk the opportunity to do so, if necessary by surrendering the goods. All reasonable, genuinely incurred costs of the required examination will be borne by the other party if the complaints prove to be unfounded.
- 13.6 Minor variations in the delivered goods, in respect of their dimensions, colour, form and packaging, cannot provide occasion for the other party to cancel the order or reject the goods delivered entirely, or to refuse all or part of the payment, or to claim compensation from Sterk. The same applies to modifications by the supplier/manufacturer from which Sterk purchases its goods if the changes do not materially affect the goods.
- 13.7 Without prejudice to the other party's right of suspension, it will be obliged to pay for and accept orders placed, even if it makes a complaint in good time.
- 13.8 Complaints submitted in good time will be rejected if third parties are found to have made modifications or repairs to goods delivered by Sterk.
- 13.9 Return consignments will not be accepted unless Sterk has been given prior written notice. Return consignments must be sent carriage paid and properly packed, otherwise the right of complaint may lapse at Sterk's discretion.

Article 14: Liability for goods delivered/services performed:

- 14.1 Sterk will only be liable for goods delivered/services performed subject to the following:
 - a. If Sterk has given a guarantee, it accepts liability to the extent of this guarantee.
 - b. Sterk accepts liability for the intention or gross negligence of Sterk directors or executive employees and for the intention and/or gross negligence of other employees in as far as these have resulted in damage to the other party;

- c. Sterk's liability will be cancelled in the case of force majeure on its side, in which case Sterk will have the right to dissolve the agreement entirely or in part on the grounds that performance is permanently or temporarily impossible;
 - d. Sterk's liability will be limited to the amount of the invoice in as far as the liability relates to forgone profit and/or damage due to a standstill;
 - e. Sterk's liability will be limited at all times to the amount of 100% of the invoice;
 - f. If part deliveries have been made and part invoices raised, the limitation of liability must be calculated on the basis of the part invoice relating to the delivery from which liability has arisen.
- 14.2 If Sterk does not fulfil its delivery obligations and this non-fulfilment is attributable to Sterk, Sterk will be liable for the resulting damages; this liability will be restricted to an amount corresponding to 100% of the invoice, which would have been raised if the delivery had been duly made.
- 14.3 The other party will indemnify Sterk against any customs liability or debts relating to orders commissioned from Sterk by the other party, unless the other party proves that such a claim is the consequence of intention and/or gross negligence on the part of Sterk itself.
- 14.4 The other party will hold Sterk harmless from any action of third parties claiming damages on any grounds whatsoever connected with the use of the goods supplied by Sterk in the broadest sense.
- 14.5 Sterk's liability will be cancelled in the case of force majeure as referred to in Article 6 of these terms and conditions.

Article 15: Retention of title and right of pledge:

- 15.1 Sterk will retain title to all goods it delivers to the other party until the purchase price of all these goods is paid in full. Furthermore, retention of title will apply to claims which Sterk may hold against the other party due to its failure to meet one or more of its obligations towards Sterk or to claims arising from damages payable to Sterk by the other party.
- 15.2 Goods to which Sterk has retained title may only be sold on by the other party in the course of its normal business.
- 15.3 If the other party fails to meet its obligations towards Sterk, or there is reason to believe that it will fail to do so, Sterk will be entitled to recover delivered goods which are subject to retention of title from the other party or from third parties holding the goods on its behalf, or to have them recovered. The other party must lend Sterk its full co-operation for this purpose, otherwise it will forfeit a penalty to Sterk of 10% of its debt for each day - including a part of a day - for which it remains in default, without prejudice to the obligation to surrender the goods.

- 15.4 The other party will undertake to notify Sterk immediately if third parties wish to establish or assert rights on the goods to which Sterk has retained title, and to inform the third parties of Sterk's right of retention.
- 15.5 The other party will undertake to co-operate with Sterk within reasonable limits in all actions taken by Sterk to protect its right of title to the goods.
- 15.6 All goods from Sterk which are present at the other party's premises are Sterk's property under the retention of title contained in this article so long as the other party continues to have any payment obligations towards Sterk.
- 15.7 Sterk reserves, now for then, rights of pledge on goods delivered, which have passed into the ownership of the other party and are still in its possession, in the meaning of Article 3:237 Netherlands Civil Code [BW], for the added security of claims other than those listed in Article 3:92 Paragraph 2 BW, which Sterk might have against the other party on any grounds whatsoever. The other party will co-operate in effecting the right of pledge by registration at Sterk's first request.

Article 16: Guarantee:

- 16.1 Sterk will only be responsible for the functional characteristics of products of its own manufacture if these are covered by a supplementary written guarantee from Sterk.
- 16.2 On goods not of its own manufacture, Sterk will only give that guarantee which is granted by the relevant manufacturer, on the understanding that Sterk cannot accept any obligation beyond the transfer of Sterk's claims on that manufacturer to the other party, with delivery of the relevant certificates.
- 16.3 The guarantee will lapse if improper use is made of the goods delivered by the other party and/or third parties engaged by it.
- 16.4 Likewise, the guarantee will lapse if the other party and/or third parties engaged by it carry out work on, or make changes in the goods delivered.

Article 17: Copyright:

- 17.1 Sterk will remain the proprietor of intellectual property rights, including copyrights and/or design rights to: illustrations, drawings, designs, models, computations, calculations and other descriptions, including catalogues or brochures relating to the goods delivered.
- 17.2 The other party is not permitted to use the rights referred to in Paragraph 1, in the broadest sense of the term, without Sterk's written consent; this includes - but is not limited to - making reproductions.
- 17.3 The other party will hold Sterk harmless from any actions of third parties based on intellectual property rights concerning orders placed with Sterk by the other party.

Article 18: Applicable law:

18.1 The law of the Netherlands will apply to all agreements between Sterk and the other party.

Date:

Signed:

3-12-1998

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in Spijk
Municipality of Lingewaal

A.C. Sterk
Director