

**General Purchase Conditions of the Van der Velden group, deposited at the District Court in Rotterdam, The Netherlands, number 80/2013**

**Article 1 Applicability and definitions**

These purchase conditions apply to all legal entities of the Van der Velden group that refer to these conditions. These companies include: Martine Systems BV, Van der Velden Barkemeyer GmbH and SC Van der Velden Rom SRL and their respective parent companies and subsidiaries.

1.1 Buyer: corporate body whom refers to these Terms and conditions.  
1.2 Supplier: the Buyer's counterpart;  
1.3 Contract: the document specifying the Supplies and including any special terms and provisions;  
1.4 Supplies: all goods to be delivered and, if and to the extent agreed with the Buyer, the installation/assembly of the goods;  
1.5 Delivery: the act of providing possession of the goods supplied;  
1.6 Inspection: the in-process or final examination and assessment of the Supplies in terms of quality and utility as specified in the Contract

**Article 2 General**

2.1 These General Terms and Conditions of Purchase ("Terms and Conditions") as applicable – shall form an integral part of the Contract.  
2.2 The provisions set out in the Contract shall prevail over these Terms and Conditions.  
2.3 Supplier shall be obliged to report immediately to Buyer any inconsistencies between the contract and the documents there to like drawings, models and specifications. The consequences of these inconsistencies shall be notified by Supplier. If necessary he shall postpone the fulfilment of his obligations until further notice by Buyer.

**Article 3 Amendments**

3.1 Deviations from these Terms and Conditions and amendments to the Contract shall only be valid if agreed in writing between the parties. Verbal commitments shall not become effective until the Buyer has given his prior written consent.  
3.2 If the deviations or amendments have no financial consequences, the Buyer's verbal consent shall suffice.  
3.3 During the term of the Contract, the Buyer shall from time to time have the right, by notice in writing, to direct the Supplier to omit or otherwise vary the goods. The Supplier shall carry out such variations and be bound as if the said variations were stated in the Contract.  
3.4 If, in the Supplier's opinion, a change as referred to in Article 3.3 of these Terms and Conditions will affect the agreed fixed price and/or time of delivery, he shall –before carrying out the changed order– notify the Buyer in writing as soon as practicable, but no later than 8 days after receipt of the Buyer's request. If the Buyer considers the effects on the price and/or time of delivery unreasonable, he may dissolve the Contract completely or in part by giving the Supplier written notice of termination, unless this would be manifestly unreasonable. A dissolution pursuant to this Article shall not confer any right upon either party to claim damages.

**Article 4 Transfer of obligations**

4.1 The Supplier may only transfer any obligations under the Contract with the Buyer's prior written consent. Such consent may be subject to conditions and will be given without any prejudice to all and any obligations ensuing from the contract including the obligations to be transferred.  
4.2 Without prejudice to the provisions of the first paragraph of this Article, the Supplier as a subcontractor, contracting out any (part of his) obligations, shall notify the Buyer of the security interest provided by him for the payment of turnover tax, wage tax and social insurance contributions statutorily imposed on employers, according to the Act on Ultimate Liability.  
4.3 If any obligations are transferred to third parties, the provisions set out in these Terms and Conditions shall also apply to the relevant third parties.

**Article 5 Prices and price adjustments**

5.1 The prices shall comprise all costs incurred in connection with the production and transportation of the goods, which shall be delivered duty paid (DDP) as defined in the Incoterms, latest edition. Prices shall be exclusive of turnover tax.  
5.2 Unless otherwise agreed, the prices shall not be adjusted. If the Contract provides the possibility for price adjustments, such contractual provisions shall be valid only if they specify the events in which the prices may be adjusted and the price indexation per time unit.

**Article 6 Invoices and payment**

6.1 The Supplier shall be entitled to submit an invoice either upon Delivery in accordance with Article 9 of these Terms and Conditions or in conformity with the payment schedule agreed between the parties.  
6.2 Payment, including turnover tax, shall be made within 30 days of receipt of the invoice, provided that the Supplies have been approved. Payments shall be made in the currency agreed in the Contract.  
6.3 The Buyer may postpone payment if he has found any defects in the Supplies and/or in the invoice.  
6.4 The Buyer shall have a right, without further notice, to reduce the invoiced amount by any amounts which the Supplier may owe to the Buyer. Supplier shall pay within 60 days after release of the final invoice any amounts he owes to the Buyer.  
6.5 Payment shall not imply any acknowledgement of full compliance by the Seller of all of his obligations.

**Article 7 Advance payment**

7.1 If the parties have agreed on payment of an advance, the Supplier shall, prior to payment, provide security up to the amount of the advance plus 10%, in the form of an unconditional and irrevocable bank guarantee.  
7.2 The bank guarantee shall be unconditional for the term of the Contract and shall be payable upon the Buyer's mere notification to the bank that the Supplier is in default.

**Article 8 Time of delivery**

8.1 Times of delivery shall be of the essence. If the Supplier fails to meet the agreed time of delivery, he shall be in default by operation of law.  
8.2 Without prejudice to any possible consequences set out in the Contract or prescribed by law, the Supplier shall promptly notify the Buyer in writing if he threatens to exceed the agreed time of delivery.

**Article 9 Delivery**

9.1 The goods shall be delivered duty paid (DDP), as defined in the current Incoterms, at the address stated in the Contract.  
9.2 The Buyer shall be entitled to postpone delivery. If the Buyer requests that the Supplier postpone delivery, the Supplier shall at its own risk and account separately store, secure and insure the relevant goods, properly packed and identifiable as being the Buyer's property.  
9.3 Delivery will take place together with a delivery voucher, mentioning: the Article, the quantity, the order number of Buyer and other references as well as the backorder.

**Article 10 Default**

10.1 In the event that the Supplier fails to comply with any of his obligations, he shall be in default (regardless of whether such non-compliance is due to an event of force majeure) without a prior written notice of default.  
10.2 Without prejudice to Buyer's right to claim damages or any other statutory rights ensuing from events of default, if the Supplier fails to perform its obligations on time, Buyer shall be entitled to impose a penalty equaling 0.5% of the face value of the contract, for each day that the event of default continues.  
10.3 If the Buyer has made any advance payment, he shall be entitled to collect legal interest on the advance payments for the period of default.

**Article 11 Warranty**

11.1 Subject to proof to the contrary by the Supplier, any defect established by the Buyer in the quality or properties of the Supplies or a general conclusion by the Buyer that the Supplies do not (fully) conform to the Contract shall be treated as a default on the Supplier's part.  
11.2 The Supplier warrants that the Supplies conform to all relevant statutory provisions concerning quality, the environment, health and safety.  
11.3 Save for system or design failures, which are not subject to any warranty period, the parties may agree on a specific warranty period. If any regard to built-in goods, the period shall commence at the time of installation by or on the instruction of the Buyer.

**Article 12 Inspection**

12.1 The Buyer shall at all times be entitled to inspect (or direct an inspection of) the Supplies before, during or after the date of Delivery.  
12.2 At the Buyer's first request, the Supplier shall grant the Buyer or his representative access to the place where the goods are produced, processed or stored. The Supplier shall closely cooperate with the Buyer in performing the inspection, without charging any additional costs.  
12.3 If an inspection as referred to in Article 1.6 of these Terms and Conditions cannot be made at the intended time or if an inspection must be repeated, the costs incurred by the Buyer shall be paid by the Supplier.  
12.4 If any Supplies are rejected, the Supplier shall ensure that the goods are repaired or replaced within 5 working days, unless the Buyer prefers a dissolution of the Contract in conformity with Article 20 of these Terms and Conditions.  
12.5 If the Supplier fails to meet the obligation to repair or replace the Supplies as specified in Article 12.4 of these Terms and Conditions, the Buyer shall be entitled to purchase the required goods from a third party or to take all necessary measures, or commission a third party to take such measures, at the Supplier's risk and expense.  
12.6 If goods are rejected or replaced after delivery, the Buyer shall keep custody of these goods for a short period as determined by Buyer after having notified the Supplier of the rejection and the period of custody. Upon expiry of this term, the Buyer shall be entitled to either return the rejected and replaced goods at the Supplier's risk and expense or destroy them.  
12.7 Any approval will take place without prejudice.

**Article 13 Supply materials and tools**

13.1 Materials and tools provided by the Buyer or purchased or manufactured by the Supplier for the purpose of facilitating the supply, including drawings, designs, calculations and other tools, shall remain the Buyer's property or, as the case may, shall belong to the Buyer as of the time of purchase or manufacture.  
13.2 The Supplier shall be obliged to properly identify the materials and tools referred to in the first paragraph of this Article as the Buyer's property, to keep them in good repair and separated from property belonging to the Supplier or third parties, and to insure them at its own expense against all risks of loss during the time the materials and tools are in the Supplier's possession.  
13.3 All production materials purchased and/or manufactured by the Supplier for purposes of performing the Contract shall be submitted for approval at the Buyer's first request, in conformity with Article 12 of these Terms and Conditions. Article 15.4 of these Terms and Conditions shall equally apply.  
13.4 The Supplier shall promptly place the production materials at the Buyer's disposal either when the Buyer submits a request to that effect or at the latest upon the final delivery to which Modifications to or deviations from production materials which belong to and/or have been approved by the Buyer shall be permitted only after the Buyer has given his prior written consent.  
13.5 An approval as referred to in paragraph 3 of this Article shall not affect the Supplier's other obligations.  
13.6 Unless the Buyer has given his prior written consent, the Supplier shall neither himself nor through others use the production materials for or in connection with any purpose other than making Supplies to the Buyer.

**Article 14 Packing, replaced and returned materials**

14.1 All packing, replaced and returned materials, for the purpose of this Article to be referred to as Materials shall remain or become the Supplier's property.  
14.2 The Supplier shall remove or destroy or recycle the Materials at his own risk and expense.  
14.3 If so requested by the Supplier, the Buyer shall remove or destroy the Materials at the Supplier's risk and expense.  
14.4 The Buyer shall at all times have a right to return the Materials to the Supplier at the Supplier's risk and expense.

**Article 15 Passage of title and risk of loss**

15.1 Title to the goods shall pass to the Buyer at the time of their Delivery, without conferring any right on the Supplier as of that time to retain title or to reclaim the goods.  
15.2 If any goods are provided to the Supplier by or on the instruction of the Buyer for the purpose of facilitating the supply, these goods shall remain the property of the Buyer. The Supplier shall properly identify these goods as belonging to the Supplier or third parties, and insure them at its own expense.  
15.3 Title to goods, or parts thereof, into which goods owned by the Buyer are incorporated shall pass to the Buyer at the time of their incorporation or assembly. Article 15.2 of these Terms and Conditions shall apply equally.  
15.4 The risk of loss of Supplies shall pass to the Buyer at the time of the Buyer's approval after delivery in conformity with Article 12 of these Terms and Conditions.  
15.5 If any goods are found and the Supplies are consequently rejected in full, title of the goods shall revert to the Supplier upon his receipt of the relevant notification by the Buyer. If the Supplier fails to remove the goods from the Buyer's premises within 2 working days of receipt of the notification, the Buyer shall return the goods at the Supplier's expense.

**Article 16 Intellectual and industrial property rights**

16.1 The Supplier warrants that the Buyer shall receive the unencumbered and undisturbed use of the Supplies. He shall hold the Buyer harmless from the financial consequences of any and all third-party claims filed on the grounds of an infringement of their intellectual or industrial property rights.  
16.2 The Supplier shall be entitled to use any information furnished by the Buyer, but only to the extent that such use is connected with the placement and performance of the order. The information shall remain the Buyer's property.

**Article 17 Documentation**

17.1 The Supplier shall be obliged to provide the Buyer with all documentation relating to the Supplies, either before or along with the Delivery.  
17.2 The Buyer shall be free to use the documentation, albeit that he may only make reproductions for private use, including the use for information purposes to Buyer's clients.

**Article 18 Confidentiality and prohibition against disclosures**

18.1 Subject to a penalty of Eur 5,000.00 per violation, the Supplier shall treat the existence, nature and provisions of the Contract and the order, as well as any business information of the Buyer (such as management information) as strictly confidential. The Supplier shall include this provision in any agreement he concludes in connection with the obligations arising from the Contract.

**Article 19 Liability**

19.1 The Supplier shall be liable for any and all damage that may arise in connection with the performance of his obligations under the Contract. The Buyer shall be entitled to demand insurance to cover the risks involved. The Supplier shall be under an obligation to permit the Buyer to inspect the insurance policy at the latter's first request.  
19.2 The Supplier shall hold the Buyer harmless against the financial consequences of any and all third-party claims in connection with the obligations arising from the Contract.  
19.3 The provisions set out in Articles 19.1 and 19.2 of these Terms and Conditions shall apply equally if the goods to be supplied are resold to third parties.

**Article 20 Termination of the Contract**

20.1 The Buyer shall be entitled to dissolve the Contract without further notice and without court intervention if the Supplier fails to meet any of his obligations or if performance of the contract is jeopardized by events that are attributable to the Supplier, including any application for a suspension of payments (moratorium) or bankruptcy.  
20.2 In the event of the Contract's dissolution as referred to in the first paragraph of this Article, the Buyer shall be entitled to compensation for all economic and non-economic damage and interest. The non-economic damages shall be no less than 25% of the amount paid for the Supplies, inclusive of turnover tax. Interest shall be defined for this purpose as legal interest.

**Article 21 expired**

**Article 22 Demands**

Any amounts which the Buyer may claim on the grounds of damages and interest shall be due and payable on demand.

**Article 23 Transfer of rights to third parties**

If the Supplies are transferred to third parties, all of the Buyer's rights ensuing from the Contract, including the right to claim damages under Article 18, shall pass to such third parties.

**Article 24 Law, safety and the environment**

24.1 The Supplier, his employees and any third parties engaged by the Supplier shall comply with all safety, health and environmental regulations prescribed by the laws of the Netherlands.  
24.2 In addition, all company rules and regulations adopted by the Buyer in the field of safety, health and the environment shall be duly observed.  
Supplier warrants that the Supplies meet all of the statutory requirements.

**Article 25 Representative power**

The Buyer shall only be bound to an obligation if entered into by such of his officers as are authorized to represent the Buyer pursuant to the latter's Articles of Association. The relevant Articles of Association naming the authorized officers have been deposited with the Chamber of Commerce and Industry.

**Article 26 Subcontracting**

26.1 In case of subcontracting, additionally to Article 4.2. of these Terms and Conditions, subcontractor (being Supplier according to these Terms and Conditions) shall produce a declaration from the fiscal authorities stating that he has complied to all his fiscal obligations.  
26.2 Supplier as a subcontractor is obliged:  
a. to have opened a special bank account for the sole purpose of paying P.A.Y.E and V.A.T.;  
b. to register the hours worked and to handover this registration to the Buyer;  
c. to grant to Buyer the right to inspect the above mentioned registration;  
d. not to mention nor to include P.A.Y.E nor V.A.T. on the invoice .

**Article 27 Disputes**

27.1 In the event of any disputes between the parties, the parties shall first confer and attempt to reach an out-of-court settlement  
27.2 If no such settlement can be reached, the dispute shall be submitted to the competent court in the District of Rotterdam, The Netherlands.  
27.3 A dispute shall be deemed to exist whenever one of the parties asserts a dispute.

**Article 28 Applicable Law**

28.1 The Contract, of which these Terms and Conditions form an integral part, shall be governed by Dutch Law. If the Supplier is established abroad, any international treaties that may be in force shall not apply.  
28.2 The verbal or written stipulations customarily invoked in the industry shall only apply to the extent that such terms have been agreed in writing between the parties.

**SUPPLEMENTARY CONDITIONS GO VERNING WORK AND CONTRACTING**

**Article 29 General**

These supplementary conditions shall apply to all Contracts relating to the performance of work and contracting for the benefit of the Buyer.

**Article 30 Knowledge of the site**

30.1 Prior to the execution of the Contract, the Supplier shall familiarize himself with the condition of the Buyer's site and buildings where the Supplier must perform his work or which may affect performance of the Contract.  
30.2 In case third parties are performing on the same site, Supplier shall ensure the most efficient and most save way of cooperation for the performance of work for all parties concerned.  
30.3 Any costs arising from delays in performance and caused by the condition of the site and buildings referred to in paragraph 1 of this Article shall be paid by the Supplier.  
30.4 This article is applicable as well in case the work has to be performed on the site and inside the buildings of Buyer's principal(s)

**Article 31 Personnel, equipment and materials**

31.1 Any personnel engaged by the Supplier for the performance of the Contract shall comply with all special standards set by the Buyer or, in the absence of such special standards, with general standards of good workmanship and expertise.  
31.2 If the Buyer is of the opinion that any of the Supplier's personnel are underqualified, he shall be empowered to order the removal of the relevant person. The Supplier shall then be obliged to promptly provide substitute personnel with due observance of the provisions set out in paragraph 1 of this Article.  
31.3 The Supplier shall arrange for all material and equipment, including tools, which are to be used for performing the Contract.  
31.4 The Buyer may inspect the material and equipment referred to in paragraph 3 of this Article. If the Buyer fully or partly rejects the material or equipment, the Supplier shall promptly replace them. Articles 12.6 and 12.7 of these Terms and Conditions are equally applicable.

The Dutch Language version of these Terms and Conditions takes precedence over any translations thereof.