

GENERAL PURCHASE TERMS AND CONDITIONS OF INDUSTRIAL BOLTING TECHNOLOGY AND SUPPLY GROUP B.V.

Article 1 Definitions

In these general purchase terms and conditions the terms below are defined as follows:

- a. Client: the private limited company Industrial Bolting Technology and Supply Group B.V. and its subsidiaries Hytorc Nederland B.V., Hytorc Clamp B.V., Total Flange Care B.V. also trading under the name BotSafe en Dutch Industrial Fasteners B.V. depending on who the user of these general purchase terms and conditions is.
- b. Supplier: any natural person, legal entity or company with whom Client enters into an Agreement for the sale and delivery of goods (renting out and other manners of making available included), provision of services and/or performance of work by Supplier or with whom Client negotiates on the establishment of an Agreement.
- c. Offer: the offer and/or quotation made by Supplier to Client with regard to the sale and delivery of goods (renting out and other manners of making available included), providing services and/or carrying out work by Supplier, according to a specification provided to that end.
- d. Order: any Offer accepted by Client.
- e. Agreement: any Agreement concluded between Client and Supplier with regard to the sale and supply of goods (renting out and other manners of making available included), provision of services and/or performance of work by Supplier, any amendments or additions to it as well as all (legal) acts in preparation and performance of this Agreement.

Article 2 Applicability

- 2.1. These general purchase terms and conditions apply to and form part of all requests made by Client, Offers made by Supplier, Orders by Client, order confirmations from Supplier and all Agreements concluded and to be concluded between Supplier and Client with regard to the sale and delivery of goods (renting out and other manners of making available included), provision of services and performance of work by Supplier.
- 2.2. These general purchase terms and conditions set general or specific terms and conditions or stipulations of Supplier aside, unless previously agreed otherwise expressly and in writing.
- 2.3. Derogations to these general purchase terms and conditions, or derogating provisions, conditions and/or agreements are only valid if and insofar as they have been confirmed in writing and expressly by Client.
- 2.4. A Supplier to whom these general purchase terms and conditions are deemed to apply is also deemed to have agreed to these general purchase terms and conditions being applicable to later requests made by Client, Offers made by Supplier, Orders by Client, order confirmations from Supplier and all Agreements concluded and to be concluded between Supplier and Client with regard to the sale and delivery of goods (renting out and other manners of making available included), provision of services and performance of work by Supplier.
- 2.5. If any provision of these general purchase terms and conditions is not applicable or contrary to public order or the law in the opinion of the court having jurisdiction, then only the provision in question shall be deemed unwritten, but these general purchase terms and conditions shall in all other respects remain fully in force. Instead of any invalid provision, a provision shall apply which most closely represents the parties' intention.

Article 3 Conclusion of an agreement

- 3.1. An Offer is deemed to bind Supplier unless this Offer was made by Supplier explicitly subject to confirmation.
- 3.2. An Agreement is only concluded once an Order has been granted by Client in accordance with an Offer.
- 3.3. If drawings, models, specifications, instructions, inspection instructions and such like made available or approved by Client are used for the performance of the agreement, these form part of the agreement.
- 3.4. Additional agreements and/or amendments to the Agreement do not bind Client, unless they have been confirmed expressly and in writing by Client.

Article 4 Price

- 4.1. The agreed or offered prices are fixed and cannot be amended unilaterally by Supplier.
- 4.2. The agreed or offered prices are in Euros (excluding VAT) and always include import and export duties, packaging, transport and shipping costs, insurance costs, customs costs and exchange rate risks.

Article 5 Delivery and time of delivery

- 5.1. Delivery of the goods takes place by delivery to the delivery address indicated by Client. The risk of the goods passes to Client at the time that the goods are delivered to the delivery address indicated by Client.
- 5.2. Supplier is responsible for the transport of the goods up to the delivery to Client or to a third party appointed by it. Pursuant to this Supplier is liable for all damage which is caused during loading, transport and unloading of the goods.
- 5.3. The agreed services and/or work must be provided and/or carried out at the location indicated by Client.
- 5.4. The items to be delivered must be accompanied by a packing list. The packing list must state Client's order number as well as the article numbers, quantities and specifications.
- 5.5. If Client requests that the delivery be postponed, Supplier shall store, secure and insure the goods, properly packaged and recognisably intended for Client.
- 5.6. Supplier is required to deliver the goods, respectively perform the services and/or work within the agreed delivery term to Client.
- 5.7. By merely exceeding the agreed delivery term, Supplier is in default and required to compensate all damage which Client or a third party with whom Client is contracting suffers as a result. Supplier must inform Client in writing immediately if exceeding the delivery term is imminent. In the event that the agreed delivery term is exceeded, Client is entitled to set another term for Supplier within which Supplier must comply with its obligations, or to dissolve the Agreement without further notification of default or being required to compensate any damage.

Article 6 Title

- 6.1. The title of the goods passes to Client at the time of delivery.
- 6.2. Client is authorized to request that the transfer of the title of the goods and/or the material and parts intended for them shall take place at an earlier point in time than the time of delivery. In that case Supplier shall recognisably mark the goods as property of Client and indemnify Client for loss, damage and exercising of rights by third parties.

Article 7 Devices

- 7.1. Materials, drawings, models, instructions, specifications or other devices made available to Supplier by Client or purchased or manufactured at Client's expense by Supplier remain title of Client or become title of Client at the time of purchase or manufacture.
- 7.2. Supplier is required to recognisably mark the devices referred to in the previous section as property of Client, to keep them in good condition and insure them at its expense against all risks as long as Supplier acts as holder of these devices.
- 7.3. All devices referred to in the first paragraph are only intended to be used by Supplier and may not be used, reproduced, published or otherwise brought to the knowledge of third parties without prior written consent from Client.
- 7.4. Changes to or derogation from the devices referred to in this article as well as use of these devices for or in relation to any other purpose than delivery to Client is only permitted after prior written consent from Client. In the event of agreement, Supplier is not discharged from any guarantee or liability pursuant to the Agreement with Client or these general purchase terms and conditions.

Article 8 Amendments

- 8.1. Client is entitled to request that the scope and/or capacity of the goods to be delivered, the services to be provided and/or the work to be carried out be amended. Further, Client is entitled to make modifications to the drawings, models, instructions, specifications and such like with regard to the goods to be delivered, the services to be provided and/or the work to be carried out.
- 8.2. If such has consequences for the agreed price and/or delivery term in the opinion of Supplier, before going ahead with the amendment, Supplier shall inform Client hereof in writing as soon as possible, yet no later than eight days after notification of the requested amendment. If the effects on the price and/or delivery time are unreasonable in Client's opinion with regard to the nature and scope of the amendment, Client is entitled to dissolve the agreement by way of written notification to Supplier, unless this would be manifestly unreasonable considering the circumstances of the case. A dissolution pursuant to this article does not entitle parties to compensation of any damage.
- 8.3. Supplier is required to inform Client beforehand with regard to any change in the composition or properties of the goods it is delivering to Client.

Article 9 Payment

- 9.1. Client shall pay the invoices within the agreed payment term and by way of transfer to an account held by the Supplier with a Dutch bank. If no payment term has been agreed then the invoices will be paid by Client within thirty days of receipt of the invoice and all pertaining documentation in the Dutch language (including with regard to maintenance, operation, safety and sterilisation of goods delivered by Supplier), drawings, quality and guarantee certificates, as well as after Client's full approval of the goods delivered, the services provided and/or work carried out.
- 9.2. Client is authorised before making payment, as well as or instead of transfer of title, to request that Supplier issues an unconditional and irrevocable bank guarantee at its own expense from a bank institution accepted by Client in order to secure observance of its obligations.
- 9.3. Payment by Client in no way entails renunciation of any right, in particular the rights arising from an attributable failure by Supplier.
- 9.4. Client is entitled to settle any amounts which it may have claim to from Supplier for any reason with the amounts which it owes to Supplier.

Article 10 Quality, guarantee and inspection

- 10.1. Supplier guarantees that the delivered goods, services performed and/or work carried out correspond to the Agreement and contain the properties which were promised, are free from defects, and suitable for the purpose for which they are intended and meet the highest statutory requirements and other government provisions, as well as the highest requirements of the quality and safety standards employed in the sector as applicable at the time of delivery and/or provision of service.
- 10.2. At all times Client is entitled to subject the goods delivered, services performed and/or work carried out prior to or after delivery or provision of service to inspection, control and/or testing by Client or by persons or bodies appointed to that end by Client. Client is also entitled to subject the rooms, installations and such like of Supplier to inspection and/or controls.
- 10.3. To this end Supplier will grant access to the locations where the goods are produced or stored and shall afford cooperation with the desired inspections, controls and/or testing and provide the required documentation to Client at its own expense.
- 10.4. If necessary, Supplier shall inform Client in good time in advance of the time when inspection, control and/or testing can take place. Supplier is authorised to be present at the inspection, control and/or testing.
- 10.5. The costs of inspection, control and/or testing are at Supplier's expense.
- 10.6. If it becomes apparent on inspection, control and/or testing that the goods delivered, services provided and/or work carried out do not correspond to the Agreement, Client is entitled to reject the goods delivered, services provided and/or work carried out within a period of thirty days of delivery by way of written notification.
- 10.7. If the goods delivered, services provided and/or work carried out appears not to meet the provisions of paragraph 1 of this article, at Client's discretion Supplier shall repair or replace the goods delivered, services provided and/or work carried out, unless Client prefers to terminate the agreement in accordance with the provisions of article 18 of these general purchase terms and conditions.
- 10.8. If Supplier does not remedy, resolve or remove the defect within a reasonable period of time, Client is authorised to have the necessary repair work carried out at Supplier's expense.
- 10.9. Supplier is required to keep spare parts for the goods delivered in stock during their usual life span.
- 10.10. Inspection, control and/or testing by Client does not discharge Supplier of any guarantee obligation or liability.

Article 11 Staff and auxiliary persons

- 11.1. All staff members and/or auxiliaries used by Supplier for the performance of the Agreement are directly under Supplier's supervision and responsibility.
- 11.2. Staff members and/or auxiliaries engaged by Supplier for the performance of the Agreement must meet the requirements set by Client. If no special requirements are set, these staff members and/or auxiliaries must meet the general requirements of skill and expertise.
- 11.3. If Client is of the opinion that there is a case of insufficiently qualified staff members and/or auxiliaries, Client is authorised to request the removal of the persons in question and Supplier is required to replace them immediately, whereby the provisions in the first paragraph of this article must be duly observed.
- 11.4. Client is authorised to require identification of all staff members and/or auxiliaries engaged by Supplier for the performance of the Agreement.
- 11.5. Supplier indemnifies Client for all claims of any kind, which the staff members and/or auxiliaries engaged by Supplier may enforce vis a vis Client with regard to damage suffered or to be suffered during the performance of the work charged to them.

Article 12 Materials and tools

- 12.1. Supplier takes care of all tools and other materials needed for the goods to be delivered, services to be provided and/or work to be carried out. These tools and other materials must meet the safety requirements currently in force. Use of tools and other materials that do not meet these requirements is prohibited.
- 12.2. The tools and other materials which were made available to Supplier by Client remain property of Client at all times. Supplier is required to use and maintain the tools and other materials made available by Client properly. As long as Supplier has tools and other materials of Client in its possession, Supplier is liable for loss or damage to them whatever the cause.
- 12.3. Client is authorised to inspect and approve all tools and materials used by Supplier in the performance of the Agreement.

Article 13 Sites and buildings

- 13.1. Prior to the delivery of the agreed goods and/or the performance of the agreed services and/or work Supplier must take note of the circumstances at the sites and in the buildings of Client where the agreed goods will be delivered and/or the agreed services and/or work will be carried out.
- 13.2. Prior to the delivery of the agreed goods and/or commencement of the performance of the agreed services and/or work, Supplier and the staff members and/or auxiliaries it engages must take note of the content of the provisions and regulations applying to the sites and in the buildings of Client with regard to safety, health, privacy and the environment. Supplier and the staff members and/or auxiliaries it engages must act in accordance with these provisions and regulations.
- 13.3. Costs of delay in the performance of the agreement which are caused by circumstances as referred to here above or are related to unfamiliarity with the provisions and regulations applying at Client's are at Supplier's expense and risk.
- 13.4. Supplier shall ensure that its presence and the presence of the staff members and/or auxiliaries it has engaged on the site and in the buildings of Client does not hamper the unhindered progress of the work of Client and third parties.

Article 14 Confidentiality

- 14.1. Supplier guarantees confidentiality vis a vis third parties of all business or other information derived from Client which it has become or becomes aware of in any way. This confidentiality must be observed both during the duration of as well as after termination of the agreement.
- 14.2. Supplier undertakes to impose the confidentiality referred to in the previous paragraph on the staff members and/or auxiliaries which it engages.
- 14.3. Supplier is required to reimburse all damage and costs which Client suffers or shall suffer as the result of any act in breach of the provisions of the previous paragraphs of this article.

Article 15 Industrial and intellectual property

- 15.1. Supplier guarantees that the use of, including the selling on of, the goods delivered by it or the devices purchased or manufactured for Client, shall not infringe on any intellectual property right, such as patent rights, trademark rights, model rights, copyright and/or other rights of third parties.
- 15.2. Supplier indemnifies Client for all claims arising from any infringement on the rights referred to in the previous paragraph of this article. Supplier shall reimburse Client all damage, costs and interest which are a consequence of any infringement on the rights referred to in the previous paragraph of this article.

Article 16 Transfer and performance by third parties

- 16.1. Supplier is not permitted to partially or entirely transfer the order granted to it by Client as well as the ensuing rights and obligations to a third party or to have it performed by a third party without prior written consent from Client.
- 16.2. Client is entitled to attach conditions to the consent which it grants.
- 16.3. Consent from Client as referred to here above does not discharge Supplier from its obligations under the Agreement. Under all circumstances Supplier remains fully responsible and liable vis a vis Client for the observance of the Agreement, even if the Agreement is carried out by a third party with Client's consent.
- 16.4. If Client gives written consent for transfer or contracting out of the agreement, this takes place on the condition that with regard to the performance of the Agreement, Supplier stipulates the same conditions vis a vis this third party which Client has stipulated for Supplier, including therefore these general terms and conditions.

Article 17 Liability

- 17.1. Supplier is liable towards Client or third parties with whom Client is contracting for all damage resulting from a defect in the goods delivered, services performed and/or work carried out for Client by Supplier or which is the result of Supplier's failure to observe an obligation pursuant to the Agreement, or failure to do so on time or properly. This also applies with regard to items which Supplier has used for the performance of the Agreement.
- 17.2. Supplier is liable vis a vis Client or third parties with whom Client is contracting for all damage resulting from its acts or negligence or the acts of negligence of its staff or those who it has engaged for the performance of the Agreement.
- 17.3. Supplier indemnifies Client for all claims by third parties against Client for compensation of damage pursuant to liability as meant in the previous two paragraphs of this article.
- 17.4. For the application of this article, staff and employees of Client are deemed third parties.
- 17.5. Supplier shall take out an insurance policy in the amount of the conditions customary in the sector. Supplier is required to allow Client at first request to inspect the insurance including the documentary evidence of timely premium payment.
- 17.6. Client is not liable towards Supplier for any damage, direct or indirect and of any kind, irrespective of the manner in which it arises and the persons who caused it, except for insofar as the liability and damage are covered by Client's insurer. In that case Client is only required to compensate the damage to a maximum of the amount of the payment made by its insurer.

Article 18 Termination, suspension and settlement

- 18.1. Client is entitled, without prejudice to its right to compensation, without notification of default and without legal intervention with immediate effect (a) to suspend the performance of the Agreement and all related Agreements and/or (b) to dissolve this Agreement and all related Agreements entirely or partially, if:
 - a. Supplier fails to observe any obligation pursuant to this Agreement, or fails to do so on time or properly;
 - b. bankruptcy or moratorium of payments is filed for with regard to Supplier;
 - c. Supplier's business is dissolved, liquidated or ceased;
 - d. attachment under a warrant of execution is levied on a substantial part of Supplier's assets;

- e. Client has founded reasons to fear that Supplier is unable or shall not be able to meet its obligations arising from the Agreements concluded with Client and at Client's request Supplier is unable to furnish adequate security for the observance of its obligations;
- f. Client has rejected the goods delivered, the services provided and/or the work carried out in accordance with the provisions of article 10 of these general purchase terms and conditions.
- 18.2 In these cases Client is also entitled to suspend the payment obligations and/or to transfer the performance of the Agreement fully or partially to third parties, without being required to pay Supplier any damages.
- 18.3 All claims which Client may have or obtain against Supplier in these cases, including claims for compensation, shall be due on demand and in full.
- 18.3 If Supplier invokes non-attributable failure, Client is entitled to terminate the agreement in accordance with the provisions of this article.
- 18.4 Supplier is not entitled to invoke any suspension right or settlement *vis a vis* Client.
- 18.5 Supplier is not entitled to partially or fully terminate the Agreement if it had already defaulted on the observance of its obligations.
- Article 19 Disputes and applicable law**
- 19.1 Dutch law applies to all transactions to which these general purchase terms and conditions apply, with the exclusion of the provisions of international treaties including the Vienna Sales Convention, insofar as it does not contain mandatory rules of law.
- 19.2 If Supplier is registered in an EU Member State or in an EFTA Member State all disputes which may arise between parties shall exclusively be heard by the Court of Arnhem, without prejudice to Client's right to summon Supplier before the court having jurisdiction according to law or treaty. There is a dispute as soon as one of the parties informs the other in writing thereof.
- 19.3 If Supplier is registered in a state which has signed the Convention on the **Recognition and Enforcement of Foreign Arbitral Awards** (also referred to as the New York Convention) all disputes which may arise between parties shall exclusively be settled in accordance with the Arbitration Regulations of the International Chamber of Commerce (ICC) by three arbiters appointed in accordance with these Arbitration Regulations. The place of arbitration shall be Nijmegen (the Netherlands) and the language Dutch. There is a dispute as soon as one of the parties informs the other in writing thereof.
- 19.4 If Supplier is not registered in an EU Member State or in an EFTA Member State and not registered in a state which has signed the Convention on the **Recognition and Enforcement of Foreign Arbitral Awards** (also referred to as the New York Convention) all disputes which may arise between parties shall exclusively be heard by the Court of Arnhem, without prejudice to Client's right to summon Supplier before the court having jurisdiction by law or treaty. There is a dispute as soon as one of the parties informs the other in writing thereof.
- 19.5 In the event of discrepancies between these general purchase terms and conditions and translations thereof, the Dutch text shall prevail.
- Article 20 Effect**
- These general purchase terms and conditions shall take effect on 1 January 2009 and were filed with the Chamber of Commerce for Centraal Gelderland under number 09165243 on 31 December 2008.