

GENERAL TERMS AND CONDITIONS OF V.S.H. FITTINGS B.V.

1. GENERAL PROVISIONS

1.1. The following definitions apply to these General Terms and Conditions:

- (a) product: items produced and marketed by VSH Fittings BV, or products purchased or manufactured by others at the request of VSH.
- (b) the contractor: VSH Fittings B.V., independently or jointly with its subsidiaries, referred to collectively as "VSH".
- (c) the principal: any natural person, legal person or company that uses the products and/or services of the contractor or to which the contractor makes an offer.
- (d) agreement: a written offer, order confirmation, framework agreement or sales contract that is agreed to between the contractor and the principal.

1.2. If any provision of these General Terms and Conditions conflicts with any provision of law, the remaining provisions of these General terms and Conditions will remain in full force and effect. In such an event, the contractor and the principal will consult with each other in order to replace the invalid or nullified provision, observing insofar as possible the aim and purport of the invalid or nullified provision.

2. APPLICABILITY

2.1. These general terms and conditions of sale apply to all offers made by the contractor, assignments given to the contractor and all agreements concluded with the contractor, to the exclusion of all of the principal's general terms and conditions of purchase.

2.2. Any reference by the principal to its own general terms and conditions at any stage of the formation of an agreement with the contractor is expressly set aside unless such terms and conditions are expressly accepted by the contractor in writing.

2.3. The contractor reserves the right to unilaterally amend the general terms and conditions. Amendments also apply to any agreement already concluded. The principal will be advised of any amendment in writing at least 14 days before such amendment comes into effect.

2.4. Insofar as they conflict with written purchase, invitation to tender or other terms or conditions of the principal, the terms and conditions of the contractor take precedence, unless and to the extent that the principal's terms and conditions have been explicitly accepted by the contractor in writing.

3. OFFER

3.1. Every offer made by the contractor is free of obligation unless explicitly stated otherwise in writing.

- 3.2. Every offer is based on performance of the agreement by the contractor under normal conditions and during normal working hours.

4. AGREEMENT

- 4.1. If the agreement is made in writing, it comes into effect on the day the contract is signed by the contractor or the day on which the contractor posts the written order confirmation.
- 4.2. If the contractor begins performance at the request of the principal before an agreement is concluded, the contractor is entitled to demand payment in conformance with the contractor's applicable rates unless explicitly agreed otherwise in writing.
- 4.3. In case of written acceptance by the contractor, such acceptance does not extend beyond what the contractor has accepted in writing. The principal is considered to be bound by its order so long as the contractor has not refused it.
- 4.4. At all times, supplementary and deviating provisions in the order vis-à-vis the contractor's offer or estimate are only binding on the contractor if and insofar as the contractor explicitly accepts these provisions in writing.
- 4.5. Verbal commitments by and agreements with the contractor's subordinates are binding on the contractor only after and insofar as the contractor confirms them in writing.

5. PERFORMANCE BY THIRD PARTIES

- 5.1. The contractor is authorised to engage third parties for the performance of its obligations arising under the agreement. The contractor is authorised to transfer the rights and obligations arising under the agreement with the principal to third parties.

6. PRICE

- 6.1. Prices quoted by the contractor are exclusive of turnover tax and other taxes applicable to the sale and delivery, and are based on delivery ex factory under international commercial terms ("incoterms") applicable on the date of the offer, unless and insofar as otherwise provided in these terms and conditions. The term factory includes the industrial site of the contractor.
- 6.2. If an offer is made in foreign currency, the contractor retains the right to calculate an adjustment for currency fluctuations during the period between making contractor's offer/order confirmation and the date of delivery, and to revise the agreed (purchase) price accordingly.
- 6.3. If one or more of the cost factors in the price increases after the date of entering into an agreement, even if increases are the result of foreseeable circumstances, the contractor is authorised to increase the price accordingly.
- 6.4. The costs related to making tools and samples are to be paid by the principal in

addition to the agreed price unless explicitly agreed otherwise in writing.

- 6.5. Packaging is included in the price. Repacking is charged separately. Packaging is not taken back.
- 6.6. Costs related to loading, unloading and the transportation of raw materials, semi-finished goods, models, equipment and other items provided by the principal are not included in the price and are charged separately. Related costs paid by the contractor are considered advance payments to be paid by the principal.
- 6.7. The contractor can increase the invoice amount through a separate credit restriction surcharge in the invoice. The surcharge is waived if payment is made within 30 days of the invoice date.

7. DRAWINGS, CALCULATIONS, DESCRIPTIONS, MODELS, MATERIALS, TOOLS, ETC.

- 7.1. Information provided in catalogues, sketches, drawings, size and weight specifications, etc. are only binding if and insofar as they are expressly included in an order confirmation signed by the parties.
- 7.2. Unless agreed with the principal in writing that certain prescribed materials will be used in the performance of the order, all products we manufacture will be made from materials of contractors' choice that are of acceptable merchantable quality. This also applies to the performance of activities.
- 7.3. If the contractor manufactures products or perform activities in accordance with a model or drawing provided by the principal, the contractor reserves the right to deliver up to 10% more or less than the agreed quantity.
- 7.4. Offers made by the contractor, as well as samples, sketches, models, tools, racks, etc. made by the contractor, remain the property of the contractor, without regard to whether the costs for such items have been charged. Information incorporated in the fabrication and construction methods, products, etc. or on which they are based remain reserved exclusively for the contractor, even if the costs for such information have been charged. The principal warrants that, other than in the performance of the agreement, such information will not be copied, given to third parties, disclosed or used without the written permission of the contractor.

8. DELIVERY PERIOD

- 8.1. The delivery period runs from the latest of the following points in time:
 - (a) the date of conclusion of the agreement;
 - (b) if documents, data, permits, etc. are needed for the performance of the agreement, the date of receipt of such items by the contractor;
 - (c) if some or all of the payment must be made in advance under the agreement before starting work, the date of receipt of such payment by the contractor.

- 8.2. The delivery period must be agreed in the order confirmation. If a delivery date or delivery week is agreed, the delivery period consists of the period between the conclusion of the agreement and the delivery date or delivery week.
- 8.3. Delivery of products occurs ex factory unless explicitly agreed otherwise in writing.
- 8.4. The delivery period is based on the current work conditions at the time of the conclusion of the agreement and on the timely delivery of materials ordered by the contractor for the performance of the work. If, through no fault of the contractor, a delay arises as a result of changes in the relevant work conditions or because materials for the performance of the work that were ordered in a timely fashion are not delivered on time, the delivery period will be extended as necessary.
- 8.5. With regard to the delivery period, if inspection in the contractor's company is agreed, the product is considered delivered when it is delivered for inspection and, in other cases, when it is transferred to the shipper for shipment.
- 8.6. The agreed delivery period can be considered as a target period. Failure to meet this target never results in the contractor being in default when there is no prior notice of default¹.
- 8.7. Without prejudice to what is provided elsewhere in these terms and conditions with regard to extension of the delivery period, the delivery period is extended for the period of the delay occurring on the part of the contractor as a result of non-performance by the principal of any of the obligations ensuing from the agreement or it will be asked to cooperate in the performance of the agreement.
- 8.8. Except in the case of gross negligence on the part of the contractor, exceeding the delivery period does not give the principal the right to wholly or partly rescind the agreement. Regardless of the cause, exceeding the delivery period does not give the principal the right to specific performance of the work under the agreement without judicial authorisation.
- 8.9. A contractual penalty provided for exceeding the delivery period must be deemed to replace any possible right of the principal to compensation for damages. Such a penalty is not owed if the failure to meet the delivery period is the result of circumstances beyond the contractor's control.

9. RISK

- 9.1. Immediately after the product is considered delivered in the meaning of section 8.5, the principal bears the risk for all direct and indirect damage that occurs to or as a result of this product, except to the extent that the contractor is guilty of gross negligence. The provisions of the previous sentence are also fully applicable in the event of damage to the products caused by destruction of the packaging.

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¹ Pursuant to Book 6, Section 82(1) of the Dutch Civil Code, in case of such notice of default, the principal must give the contractor a **reasonable period** in which to perform. The text of Book 6, section 82(1) of the Dutch Civil Code reads: *Default occurs when a party is declared in default by a written notice giving a reasonable period in which to perform and performance does not occur within this period.*

- 9.2. If the principal does not take possession of the products or does not do so in a timely fashion or appropriately, the principal will be in default without any need to give notice of default. In such an event, the contractor will be entitled to store the products at the customer's expense and risk or to sell them to a third party. The principal will continue to owe the purchase price, plus interest and all costs, but less the net proceeds of the sale of the products to the third party in case such a sale takes place.
- 9.3. Unless agreed otherwise with the principal in writing, if shipping and/or transportation of the products are provided by the contractor, they are at the principal's expense and risk and the contractor does not insure the products against transportation risks. Even if the contractor declares to the shipper that all damage during shipping will be at its expense, the transport risk is nevertheless at the principal's expense and the contractor is not obligated to take steps to recover the damage. If desired, the contractor will assign its rights vis-à-vis the shipper to the principal.
- 9.4. Except in cases where it is expressly agreed otherwise in writing, products that the contractor are given for work, repair or inspection are given to the contractor at the principal's risk. The contractor pledges to store and handle the products that have been given by the principal with due care.

10. TITLE

- 10.1. Title to the products first transfers to the principal when it satisfies all requirements arising from the agreement or any other related agreement. Besides payment of the purchase price, requirements with regard to the products are understood to include the work performed or to be performed as well as all surcharges, interest, taxes and costs, etc. owed pursuant to the agreement.
- 10.2. Termination of the commercial relationship as referred to in Section 9.1 is deemed to have occurred if it is confirmed by VSH to the client in writing or, in any event, if no further agreements are concluded between the contractor and the principal for 18 months after the principal satisfies all its obligations.
- 10.3. The principal is not authorised to transfer the products or to use them as collateral, to pledge them or to mortgage them before the time period referred to in Section 10.2, or in any other manner to confer rights to them to any third parties and/or to lend them and/or let them leave its possession and/or lease them, notwithstanding the provisions of Section 10.4.
- 10.4. As long as the contractor, pursuant to Section 10.1, is the owner of the items supplied to the principal, the principal is entitled to process and incorporate or to use these products in the framework of its normal commercial operations.
- 10.5. Without prejudice to the other rights to which the contractor is entitled, the contractor is already irrevocably authorised by the principal for the future if the principal does not fulfil its payment or other obligations or does not do so timely or satisfactorily, without any notice of default or judicial intervention being required, to disassemble products supplied by the contractor and affixed to moveable or immovable property on which it holds a reservation of title upon first demand and

is authorised to take possession of these items. The principal will immediately allow the contractor to repossess the products delivered without further notice of default or judicial intervention being required.

- 10.6. The principal is obligated to immediately inform the contractor in writing if any third parties are or may be asserting rights with regard to the products on which the contractor has a reservation of title. If it is demonstrated that the principal has not complied with this obligation, it will owe a penalty equal to 15% of the unpaid portion of the claim to which the reservation of title relates, without prejudice to the other rights accruing to the contractor in connection with the claims.
- 10.7. Each payment that the contractor receives from the principal is first applied to payment of the claims that the contractor has against the principal with regard to which there is no or is no longer a reservation of title in the sense of paragraph 1 of this section.

11. PAYMENT

- 11.1. Unless agreed otherwise in writing, all goods are supplied and activities performed under the condition that payment be remitted within 30 days of invoice date at the latest.
- 11.2. The prices shown in the offers made by the contractor are targets. Without prejudice to that which is provided in these general terms and conditions, if an agreement is concluded between the contractor and the principal, the prices are binding.
- 11.3. All payments must be made without deduction or setoff into an account designated by the contractor. If the principal believes it can enforce agreements with regard to the delivery or performance of the order, in whatever form, this does not relieve it of the obligation to pay in the manner agreed to and it is not authorised to suspend its payment obligation.
- 11.4. In case of payment by bank or giro or by means of a check or bill of exchange, payment occurs on the date on which the relevant amount is credited to the contractor's account.
- 11.5. If, at any time, the contractor has reasonable doubts about the creditworthiness of the principal, the contractor is authorised to require that full or partial prepayment of the purchase price be made or that the principal furnish reliable security, such as through a bank guarantee or an undisclosed pledge on products supplied by the contractor, before the contractor is obligated to perform or to continue to perform. In such a case, the contractor is also authorised to ship exclusively by COD.
- 11.6. If the contractor agrees with the principal that payment will be made through a banking institution or whenever security is furnished in the form of a letter of credit or bank guarantee, the principal will ensure that such security is always furnished by a top-rated bank. If the contractor has reasonable doubts about the stated qualification, the contractor is authorised to reject the proposed bank and to designate another bank.

- 11.7. Any failure whatsoever to meet any payment term will place the principal in default by operation of law. In that event, all receivables of the contractor against the principal become immediately due and payable, without prejudice to the other rights accruing to the contractor.
- 11.8. The principal is liable, without any notice of default being required, to pay interest on all amounts not fully paid at the latest on the last day of the payment period, from that date, at a rate equal to the statutory rate of interest applying in the Netherlands at that time, plus a surcharge of 2%. At the end of each year, the amount that is subject to interest will be increased by the interest owed for the past year.
- 11.9. If, after the expiration of a further payment term established in writing, the principal has also not paid the amount owed plus interest, the principal is obligated to compensate the contractor for all extra-judicial and judicial costs, which are calculated to be at least 15% of the outstanding amount and which at all times will be equal to at least EUR 500, exclusive of turnover tax.
- 11.10. The contractor is authorised to retain items from the principal that have been made available to the contractor in connection with the order placed with the contractor and to suspend the supply of same until the principal has satisfied all its payment obligations towards the contractor, without prejudice to the right of the contractor to rescind pursuant to the provisions of Section 14.
- 11.11. Payments made are applied towards the satisfaction of the oldest outstanding debts and any interest and costs thereon, even if the principal states otherwise.

12. GUARANTEE

This section states the general guarantee terms and conditions of VSH and is only applicable to products supplied by VSH if no product-specific guarantee applies in connection with the products. If product-specific guarantees apply, they have been provided in a separate guarantee provision.

- 12.1. The principal is obligated to inspect goods that we have supplied to it pursuant to the purchase/sale agreement or final processing upon receipt according to testing methods known beforehand to the contractor prior to storage or use.
- 12.2. By signing the receipt form, the principal is stating that it has satisfied that which is provided in paragraph 1. By signing the receipt form, the principal has also accepted that the correct number of items have been supplied and that these items conform with the agreement as meant in Book 7, Section 17 of the Dutch Civil Code².

(a) _____

² Book 7, Section 17 of the Dutch Civil Code: -1. The item supplied must conform with the agreement. -2. An item does not conform with the agreement if, partly in view of the nature of the item and the communication that the seller of the item has made with regard to the item, it does not possess the qualities that the purchaser could expect based on the agreement. The purchaser can expect that the item possesses the qualities that are necessary for its normal use and that the purchaser should not have to doubt are present, in addition to the qualities that are necessary for a special use that is foreseen in the agreement. -3.

- 12.3. Without prejudice to the restrictions stated hereinafter, the contractor guarantees both the reliability of the product it supplied and the quality of the products used and/or supplied for it, in regard to which the principal proves that within six months of the delivery pursuant to Section 12 (1) and (2) the defects or unsuitability were exclusively or predominantly the direct result of a mistake in the construction applied by the contractor or was the result of a faulty finish or use of poor material.
- 12.4. The deficiencies falling under the guarantee that are referred to in paragraphs 1 and 3 will be remedied by repairing, re-performing the work, or replacing the faulty product, in the contractor's company or elsewhere, or by shipping a replacement product, such remedies always being at the discretion of the contractor. All costs exceeding the obligation as described in the previous sentence, such as, but not limited to, costs of transportation, travel and accommodation expenses, and costs of assembly and disassembly, will be borne by the principal.
- 12.5. If the products produced by the contractor no longer prove susceptible to reprocessing or reconversion, the contractor will never be held responsible for more than the refund of the costs calculated for the activities performed.
- 12.6. At all times, the principal must provide the opportunity to remedy any possible defects.
- 12.7. In any event, falling outside the scope of the guarantee are defects occurring in, or entirely or partly ensuing from:
- (a) the non-observance of operation and maintenance instructions or of other than anticipated normal use;
 - (b) normal wear and tear;
 - (c) assembly/installation or repair by third parties, including the principal;
 - (d) the application of any government regulation regarding the nature or quality of the materials used;
 - (e) materials or items used that are applied in consultation with the principal;
 - (f) materials or items that are provided to the contractor by the principal for the work;
 - (g) materials, items, working methods and constructions insofar as applied at the explicit request of the principal, as well as materials and items supplied by or on behalf of the principal; or
 - (h) subparts from third parties that are used by the contractor insofar as the third party has not provided any guarantee to the contractor.

- 12.8. The contractor provides no guarantee whatsoever regarding the functional and/or
(c) _____

An item other than what is agreed to or an item of another type does not conform with the agreement. The same applies if the item supplied deviates in quantity, size or weight from that which was agreed. -4. If a sample or model has been shown or provided to the purchaser, the item must conform to the sample or model unless it was only provided as an example, without the item having to conform to it. -5. The purchaser cannot claim that the item does not conform to the agreement if, at the time of concluding the agreement, it knew or reasonably could have known this. The purchaser also cannot claim that the item does not conform to the agreement if this can be attributed to defects or unsuitability of raw materials provided by the purchaser, unless the purchaser should have warned it in advance of these defects or unsuitability.

the application possibilities of the goods we supplied/worked on. The principal itself must perform the appropriate testing and inspection of the suitability of contractors' products for its intended purposes in a timely fashion. Any liability on the part of the contractor in this regard is explicitly excluded.

- 12.9. Damage caused by tension corrosion does not fall under product liability since all VSH Super compression fittings comply with the requirements set out in Norm ISO 6957, which does not exclude the possibility that tension corrosion can occur if a combination of factors is present.
- 12.10. If the principal does not satisfy any of its obligations that arise from the agreement concluded with the contractor or from any other related agreement, or does not do so adequately or timely, the contractor is not bound with regard to any guarantee in these agreements whatsoever, regardless of how they are designated. If the principal disassembles, repairs or performs other activities regarding the product, or allows such actions to be taken, without the prior written permission of the contractor, all rights under the guarantee are void.
- 12.11. Complaints regarding defects must be submitted in writing as quickly as possible after they are discovered, but in any event no later than 14 days after the expiration of the guarantee period; if this period is exceeded, all rights against the contractor regarding such defects are void. Legal claims regarding such must be made within 1 year after the timely complaint, and failure to do so will result in the pending claim lapsing.
- 12.12. If the contractor replaces subparts/products in order to satisfy its guarantee obligations, the replaced subparts/ products become the property of the contractor.
- 12.13. Returning items is only permitted after receiving permission from us. All costs connected with returning items are the responsibility of the principal.
- 12.14. The contractor is never liable for damages, losses, or accidents that directly or indirectly occur with regard to goods we have supplied or worked on or the use thereof, even if they are caused by manufacture or material mistakes in the goods supplied or worked on.
- 12.15. The alleged non-compliance by the contractor of its guarantee obligations does not relieve the principal of its obligations that arise from any agreement concluded with the contractor.
- 12.16. With regard to the repair or revision or other services performed by the contractor, unless agreed otherwise, all guarantees given regarding the reliability of the performance of the activity undertaken will be for a period of two (2) months. This guarantee constitutes the only guarantee by the contractor to re-perform in the event of inferiority of the relevant activity, insofar as it is inferior. In that case, the second full sentence of paragraph 4 applies by analogy.

13. LIABILITY

- 13.1. The liability of the contractor is limited to observing the guarantee obligations contained in section 11 of these general terms and conditions.

- 13.2. Except for gross negligence on the part of the contractor and except for the provisions in paragraph 1, all liability of the contractor, such as damage to business, other indirect damage and damage as a result of liability towards third parties, is excluded.
- 13.3. Liability of the contractor due to attributable failure in the observation of one or more of its obligations under the agreement arises only if the principal immediately, or in any event no later than one week after the contractor's performance, gives notice of the failure in writing, in which the contractor is granted a reasonable period to remedy the failure and the contractor also attributable fails to comply with its relevant obligation(s) during this period.
- 13.4. If and insofar as the contractor, despite the provisions of paragraphs 1 and 2 of this section, is nevertheless held liable by a competent court, its liability per event (whereby a connected series of events counts as one event) towards the principal, for any reason whatsoever, is in all cases limited to the relevant contract price, exclusive of turnover tax.
- 13.5. The contractor is therefore also not liable for:
- (a) violation of patents, licences and other rights of third parties as a result of use of information provided by or on behalf of the principal;
 - (b) damage or loss, regardless of the cause, of raw materials, semi-finished goods, models, equipment and other items provided by the principal.
- 13.6. If the contractor, without being ordered to perform the assembly, provides help and assistance in the assembly, of any nature whatsoever, such activity occurs at the principal's risk.
- 13.7. The principal is obligated to indemnify the contractor or to hold it harmless with regard to all liability of third parties for compensation of damages for which the liability of the contractor in relation to the principal is excluded in these terms and conditions.
- 13.8. If the contractor, in the written agreement concluded with the principal or in a order confirmation, refers to technical, safety, quality and/or other regulations that relate to the products, the principal is deemed to be familiar with these unless it immediately informs the contractor to the contrary in writing. Then the contractor will further inform the principal about these regulations.
- 13.9. The contractor is not liable for indirect damage or loss, including consequential loss, lost profit, lost savings or losses incurred as a result of operational stagnation.

14. NON-ATTRIBUTABLE FAILURE AND CIRCUMSTANCES BEYOND CONTROL

- 14.1. Failure to observe the agreement between the principal and the contractor cannot be attributed to the contractor if the contractor is without fault in the failure and if it is not held accountable under either the law or common opinion. The contractor is not liable towards either the principal or towards third parties for direct and/or indirect damage suffered as a result of a non-attributable failure of the contractor.

- 14.2. There is non-attributable failure in the sense of Section 14.1 in the event of force majeure, limiting governmental measures of any nature whatsoever, fire, epidemics, mobilisation, war, fear of war, civil war, taking of hostages, terrorist activities, revolution, strikes, riots, seizure, water damage, interruption of production, lack of raw materials or labour supply, partially finished goods and/or auxiliary materials, natural disasters, transport disruptions, full or partial breach by suppliers, defects in machinery or installations, disruptions in the supply of energy and other circumstances that pursuant to the law, legal transactions or in common opinion are not attributable to the contractor, such as events that cannot be anticipated by the contractor or that are circumstances beyond its control.
- 14.3. The pervious paragraph applies both in the contractor's company and to third parties from which the contractor must wholly or partly use necessary materials or raw materials, whether during storage or transport, possibly performed under its own management, and furthermore for all other causes occurring beyond the fault or doing of the contractor.
- 14.4. Events beyond the control of the contractor also include: each circumstance independent of the will of the contractor as a result of which the failure of the performance of the obligation of the contractor towards the principal is wholly or partially hindered or through which the performance of the obligations cannot reasonably be desired, regardless whether the circumstance was anticipated at the time of concluding the agreement. The contractor will notify the principal as soon as possible of any such situation in which circumstances are beyond its control.
- 14.5. If the situation beyond its control has persisted for six months, the contractor has the right to dissolve the agreement, in whole or in part, in writing, without judicial intervention. In such a case, the principal does not have a right to any compensation for damages whatsoever.
- 14.6. The circumstances listed in paragraphs 14.1, 14.2 and 14.3 relieve the contractor of any obligation to perform its obligations, including the period of delivery, as long as the relevant hindrance continues to exist. Claims to compensation for damages due to partial or complete non-performance are also excluded in the above-listed cases.

15. SUSPENSION AND DISSOLUTION

- 15.1. In case of hindrance of performance of the agreement as a result of circumstances beyond its control, the contractor is authorised without judicial intervention to either suspend the performance of the agreement for up to 6 months or to dissolve the agreement in whole or in part, without being obligated to pay any compensation for damages whatsoever. During the suspension, the contractor is authorised, and at the end of the period it is required, to choose between performance or dissolution of the agreement in whole or in part.
- 15.2. Both in case of suspension and dissolution pursuant to paragraph 1, the contractor is immediately authorised to demand payment for the raw materials, materials, subparts and other items that it has reserved for the performance of the agreement, already prepared and fabricated, such payment for the value that must reasonably be attributed to them. In case of dissolution pursuant to paragraph 1, the principal is

obligated, after payment of the amount owed pursuant to the previous sentence, to take possession of the items referred to therein, and the contractor is authorised, if the principal fails to do so, to have the items stored at the principal's expense and risk or to sell them at its expense.

- 15.3. Without notice of default and without judicial intervention, the contractor can end the agreement in whole or in part by written notice with immediate effect, or suspend its obligations under the agreement for up to 6 months, if the principal does not satisfy any of its obligations that arise from the agreement concluded with the contractor or from any other related agreement, or does not do so adequately or timely, or if any good grounds exist for concern that the principal is not or will not be in a position to satisfy its obligations towards the contractor.
- 15.4. That which is provided in the previous sentence also applies in case of: a) bankruptcy of the principal or an application for bankruptcy, b) suspension of payment by the principal or an application for suspension of payment, c) discontinuance of operations, liquidation or partial transfer, possibly with security, of the principal's company, including the transfer of an important part of its receivables, d) the principal's offering an agreement to its creditors.
- 15.5. In case of suspension or whole or partial dissolution based on paragraphs 3 and 4 of this section, such occurs without the contractor being obligated to pay any compensation for damages or guarantee and is without prejudice to the other rights accruing to it. During the suspension, the contractor is authorised, and at the end of the period it is required, to choose between performance or dissolution of the suspended agreement(s) in whole or in part.
- 15.6. In case of suspension pursuant to paragraph 3, the price agreed to is immediately due and payable, deducting the instalments already paid and the costs avoided by the contractor as a result of the suspension, and the contractor is authorised to have the raw materials, materials, subparts and other items that it has reserved for the performance of the agreement, already undertaken and fabricated stored at the principal's expense and risk. In case of dissolution pursuant to paragraph 3, if there has been no prior suspension, the price agreed to is immediately due and payable, deducting the instalments already paid and the costs avoided by the contractor as a result of the dissolution, and the principal is obligated to pay the amount described above and to take possession of the items included therein, and if it fails to do so, the contractor is authorised to sell these items for its account.
- 15.7. The obligation to pay the compensation owed also continues to exist during a suspension. If, after the suspension, the contractor begins to supply the items again, the related costs will be charged.
- 15.8. The principal is not authorised to demand dissolution of the agreement with retroactive effect.

16. TERM OF FORFEITURE

- 16.1. Every claim the principal has against the contractor expires after the passage of twelve (12) months. This term cannot be arrested.

16.2. The period stated in the preceding paragraph commences on the day following the day on which the claim becomes due.

17. APPLICABLE LAW

17.1. Dutch law applies to all disputes and to all agreements concluded with the contractor, in particular Section 6.5.3 of the Dutch Civil Code.

17.2. All disputes that arise in accordance with agreements concluded with the contractor or these general terms and conditions, insofar as the law does not compel otherwise, will be subject to the judgment of the competent court in the location and domicile of the contractor unless the parties expressly agree otherwise in writing.

17.3. In all disputes that arise in accordance with agreements concluded with the contractor or these general condition and the interpretation thereof. The Dutch text of these general conditions prevails.

17.4. The Vienna Sales Convention expressly does not apply unless the parties expressly agree otherwise in writing.